



Recommendation for Action

File #: 19-2933, **Agenda Item #:** 14.

10/17/2019

Posting Language

Authorize negotiation and execution of a multi-term contract with Brace Integrated Services Inc., to provide insulation and heat trace services, for up to six years for a total contract amount not to exceed \$5,502,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there was an insufficient availability of certified M/WBEs; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$917,000 is available in the Fiscal Year 2019-2020 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) 1100 TVN3002 for these services. The solicitation issued on April 8, 2019 and it closed on May 7, 2019. Of the two offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=130092)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=130092>.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Julia Finn, at 512-322-6060 or Julia.Finn@austinenergy.com <<mailto:Julia.Finn@austinenergy.com>>.

Council Committee, Boards and Commission Action:

September 9, 2019 - Recommended unanimously by the Electric Utility Commission on a 7-0 vote, with Commissioners Boyle, Funkhouser, Hopkins and Wray absent.

Additional Backup Information:

The contract will provide industrial insulation and heat trace services for Austin Energy's Sand Hill Energy Center, Decker Creek Power Station, Paul Robbins District Cooling Plant, and District Cooling Plant 2.

Insulation services protect personnel from hot surfaces such as turbines, exhaust stacks, boilers, and piping. Poorly maintained insulation can negatively affect safety, efficiency, reliability, and energy costs. Heat tracing is an electrical warming system installed under the insulation on critical process piping to prevent freezing during winter operations. Properly maintained insulation and heat trace systems are critical to the winter reliability of these facilities. In addition, the Electric Reliability Council of Texas (ERCOT) requires all power generators to complete winter preparedness activities prior to the winter season. This contract provides required support to maintain and/or restore insulation and heat trace systems.

This contract will replace the existing contract which expires in June 2022. The authorization for the current contract is running out due to greater than anticipated insulation and heat trace needs. The contractor is the current provider for these services.

An evaluation team with expertise in this area evaluated the offers and scored Brace Integrated Services Inc. as the best to provide these services based on technical solution and program, experience, qualifications and personnel, price, local business preference, and service disabled veteran business enterprise.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$1,834,000
Optional Extension 1	2 yrs.	\$1,834,000
Optional Extension 2	2 yrs.	\$1,834,000
TOTAL	6 yrs.	\$5,502,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.