



Recommendation for Action

File #: 21-2228, **Agenda Item #:** 86.

7/29/2021

Posting Language

Authorize negotiation and execution of a contract with Solar Turbines Inc., to provide turbine maintenance and support, for a term of 10 years in an amount not to exceed \$8,925,000.

(Note: Sole source contracts are exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$704,328 is available in the Fiscal Year 2020-2021 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Sole Source.

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>> or to Sandy Brandt, at 512-974-2870 or Sandy.Brandt@austintexas.gov <<mailto:Sandy.Brandt@austintexas.gov>>.

Council Committee, Boards and Commission Action:

June 21, 2021 - Recommended unanimously by the Electric Utility Commission on a 6-0 vote, with Commissioner Reed off the dais and Commissioners Funkhouser, Trostle and Wray absent, and one vacancy.

Additional Backup Information:

The contract is for maintenance, parts, repair and remote monitoring of the Solar Mercury 50 gas turbine at Mueller Energy Center. This turbine is the primary source of power for Dell Children's Hospital. The turbine provides the plant with energy and also produces energy for export. Its waste heat is used to generate steam in a heat recovery steam generator to be used for both chilled water production and commercial use by Dell Children's Hospital. The contractor is responsible for all preventative and corrective maintenance of the main power unit to warranty the unit. In addition, services include remote monitoring to ensure overall unit health, which ensures the reliability of electrical service to Dell Children's Hospital.

Solar Turbines, Inc. is the original equipment manufacturer for the unit and only authorized provider of parts and service.

Strategic Outcome(s):

Government That Works for All.