

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	26433	Agenda Number	49.
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Meeting Date:	August 29, 2013
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Department:	Purchasing
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Subject

Authorize award, negotiation, and execution of a contract with WOOD GROUP POWER PLANT SERVICES, INC., or the other qualified offeror to RFP No. GAL0012, for the purchase of a replacement control system for the turbine and generator Units 1-4 at Austin Energy's Sand Hill Energy Center, in an amount not to exceed \$1,230,000 and maintenance and support services for 60 months in an amount not to exceed \$130,000, for a total contract amount not to exceed \$1,360,000.

Amount and Source of Funding

Funding in the amount of \$1,230,000 is available in the Fiscal Year 2012-2013 Capital Budget of Austin Energy. Funding for the maintenance and support services is contingent upon available funding in future Operating budgets.

Fiscal Note

A fiscal note is attached.

Purchasing Language:	Best evaluated proposal.
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Prior Council Action:	
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For More Information:	
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Boards and Commission Action:	August 19, 2013 - Unanimously approved by the Electric Utility Commission on a 5-0 vote.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.
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Additional Backup Information

This contract with Wood Group Power Plant Services, Inc., Loveland, Colorado, is for the replacement of Sand Hill Energy Center's Units 1-4 Mark VI control system, including associated hardware and software and on-going maintenance and support services. This system controls turbine and generator parameters required for unit operation. It also provides operators with a visual representation of the unit and enables real-time monitoring of the turbine, generator, and auxiliary equipment.

The existing control system hardware and software are 12 years old and beyond the lifespan for which they were designed. Parts have become difficult to find or are no longer supported by the manufacturer. Previous hardware failures have resulted in unit outages and continued use of existing equipment will likely result in additional unit outages.

The upgrade will include a new control system including processors, input/output cards, and human-machine interfaces. This control system will be fully supported by the manufacturer, and parts and service will be available in a timely manner reducing the number and duration of unplanned outages. The new system will also have the latest operating system, software, and anti-virus programs which will strengthen the power plant's network security. Additional controls improvements provided with this upgrade will increase unit reliability by eliminating failed starts and reduce water usage at low loads.

An Austin Energy evaluation team with expertise in this area evaluated the proposals and unanimously chose this proposal as the best to provide this product. Evaluation criteria used to evaluate the proposals included the technical solution, cost, experience, project management and personnel qualifications, responsiveness to terms and conditions, and local business presence.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

MBE/WBE solicited: 5/5

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Two hundred sixty-eight notices were sent, including five MBEs and five WBEs. Three proposals were received, with no response from the MBE/WBE.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.