

**AGENDA**



**Recommendation for Council Action (Purchasing)**

<b>Austin City Council</b>	<b>Item ID:</b>	27819	<b>Agenda Number</b>	39.
<b>Meeting Date:</b>	October 3, 2013			
<b>Department:</b>	Purchasing			
<b>Subject</b>				
Authorize award and execution of a contract with ROBERTS AND SPENCER DISTRIBUTORS for the purchase of replacement hydrogen dryers for Austin Energy's Decker Creek Power Station in an amount not to exceed \$148,796.				
<b>Amount and Source of Funding</b>				
Funding is available in the Fiscal Year 2013-2014 Capital Budget of Austin Energy.				
<b>Fiscal Note</b>				
A fiscal note is attached.				
<b>Purchasing Language:</b>	Lowest bid.			
<b>Prior Council Action:</b>	█			
<b>For More Information:</b>	Darralyn N. Johnson, Buyer I, 512-505-7293			
<b>Boards and Commission Action:</b>	September 16, 2013 - Recommended by the Electric Utility Commission.			
<b>Related Items:</b>				
<b>MBE / WBE:</b>	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 solicitation.			

**Additional Backup Information**

This contract is for the one-time purchase of two hydrogen dryers to replace existing units at Austin Energy's Decker Creek Power Station. The hydrogen dryers on Decker Units 1 and 2 are overdue for replacement. The purpose of the hydrogen dryer is to dehumidify and re-circulate the generator's cooling gas (hydrogen). Poor performing hydrogen dryers reduce efficiency and cause corrosion in critical areas of the generator due to contamination. This leads to an increased likelihood of unit forced outages. In order to improve efficiency, reduce leakage and replace obsolete equipment, Austin Energy is seeking to procure these two replacement hydrogen dryers.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

**BID TABULATION**

IFB No. DNJ0102

Hydrogen Dryers

(2 – line item)

<u>VENDOR</u>	<u>Total Amount</u>
Roberts and Spencer Distributors, Inc. Dallas, TX	\$148,796
Apfelbaum Inc. El Paso, TX	\$155,950

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office web site.

**PRICE ANALYSIS**

- a. Adequate competition.
- b. Twenty-seven notices were sent. There are no known MBEs and/or WBEs for this commodity. Two bids were received.
- c. This is the first purchase of its type since 1988; therefore, there is no pricing history available.

**APPROVAL JUSTIFICATION**

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