

**AGENDA**



**Recommendation for Council Action (Purchasing)**

<b>Austin City Council</b>	<b>Item ID:</b>	28737	<b>Agenda Number</b>	31.
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<b>Meeting Date:</b>	November 21, 2013
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<b>Department:</b>	Purchasing
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**Subject**

Authorize negotiation and execution of a 24-month requirements contract with GENERATOR & MOTOR SERVICES OF PENNSYLVANIA or one of the other qualified offerors to RFP No. DKC0047, to provide aero-derivative generator maintenance services for Decker Creek Power Station and Sand Hill Energy Center, in an amount not to exceed \$3,000,000, with two 24-month extension options in an amount not to exceed \$2,000,000 per extension option, for a total contract amount not to exceed \$7,000,000.

**Amount and Source of Funding**

Funding in the amount of \$1,250,000 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy. Funding for the remaining 14 months of the original contract period and extension options is contingent upon available funding in future budgets.

**Fiscal Note**

There is no unanticipated fiscal impact. A fiscal note is not required.

<b>Purchasing Language:</b>	Best evaluated proposal.
<b>Prior Council Action:</b>	
<b>For More Information:</b>	Oralia Jones, Senior Buyer /322-6594
<b>Boards and Commission Action:</b>	November 18, 2013 - To be reviewed by the Electric Utility Commission.
<b>Related Items:</b>	
<b>MBE / WBE:</b>	This contract will be awarded in compliance with City Code Chapter 2-9C (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 will provide aero-derivative generator maintenance services for Austin Energy's two gas-fired power plants: Decker Creek Power Station and Sand Hill Energy Center. The amount of work assigned to the contractor is variable as it is driven by both planned repairs and emergency equipment repairs. The typical work performed under this contract includes removal, rewinding, testing and installation of generator rotors for electric machine and Brush generators. This is a newly contracted service and a larger portion of the contract spending authority is requested up front to ensure anticipated repairs are performed.

The contractor will be responsible for providing qualified labor, supervision, and tools for the maintenance and repair, overhaul, parts, balancing, and testing on electric machine generators, Brush generators, exciters and Automatic Voltage Regulators (AVR). The contractor has extensive experience with Brush machines and electric machine generators. They are the authorized distributor of Brush Original Equipment Manufacturer (OEM) units.

An Austin Energy evaluation team with expertise in this area evaluated the proposals and unanimously chose this proposal as the best to provide these services. Evaluation criteria used to evaluate the proposals included cost for sample work scopes, organizational experience, personnel qualifications, access to Brush OEM parts, and acceptance of the City of Austin's terms and conditions.

This request allows for the development of an agreement with a qualified offeror selected by Council. If the City is unsuccessful 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 that provider.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

#### PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred, thirteen notices were sent. There are no known certified MBE/WBEs for this commodity. Four proposals were received. In addition, two "No Offer" replies were received.

#### APPROVAL JUSTIFICATION

- a. Best evaluated proposal received.
- b. This is the first procurement for this type of contract. No previous history is available.
- c. The Purchasing Office concurs with Austin Energy's recommended award.
- d. Advertised on the Internet.