

**AGENDA**



**Recommendation for Council Action (Purchasing)**

<b>Austin City Council</b>	<b>Item ID:</b>	30236	<b>Agenda Number</b>	33.
<b>Meeting Date:</b>	February 13, 2014			
<b>Department:</b>	Purchasing			

**Subject**

Authorize award, negotiation, and execution of a 24-month requirements service contract with AIR HYGIENE INTERNATIONAL, INC. or another qualified offeror to RFP No. GAL0014, for the purchase of stack testing services for Austin Energy, in an amount not to exceed \$130,000, with two 24-month extension options in an amount not to exceed \$130,000 per extension option, for a total contract amount not to exceed \$390,000.

**Amount and Source of Funding**

Funding in the amount of \$43,334 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy. Funding for the remaining 16 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>	Gage Loots, Supervising Senior Buyer/512-322-6251
<b>Boards and Commission Action:</b>	January 27, 2014 - 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 contract.

**Additional Backup Information**

This contract with Air Hygiene International, Inc., Broken Arrow, OK, will provide required stack testing services on an as-needed basis at Austin Energy. The purpose of stack testing is to compare emissions readings with continuous emissions monitors already installed in the stacks to ensure the continuous monitors are working properly. The contract includes monitoring velocity, temperature and other measurements required for compliance with air permits. Annual testing of the exhaust stacks from the steam turbines at the Decker Creek Power Station and the gas turbines at the Sand Hill Energy Center is required by the U.S. Environmental Protection Agency (EPA), and annual stack testing of the turbine stack at the Mueller Energy Center is required by the EPA's New Source Performance Standards regulations.

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 the solution to accomplish the work, cost, experience, project management and personnel qualifications, 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 for selection of another qualified offeror and to authorize contract negotiations with this provider.

MBE/WBE solicited: 52/14

MBE/WBE bid: 0/0

#### **PRICE ANALYSIS**

- a. Adequate competition.
- b. Four-hundred, thirty-six notices were sent, including 52 MBEs and 14 WBEs. Three proposals were received, with no response from the MBEs/WBEs.

#### **APPROVAL JUSTIFICATION**

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