

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council - Commissioner's Court Meeting		Item ID:	34759	Agenda Number	53.
Meeting Date:	August 28, 2014				
Department:	Purchasing				
Subject					
Authorize negotiation and execution of 24-month service contracts with ENTECH SALES AND SERVICE, INC., TRANE U.S. INC., and CENTRAL TEXAS COMMERCIAL A/C & HEATING INC., for the purchase of maintenance and repair services for the centrifugal chillers at Austin Energy's Sand Hill Energy Center, in an amount not to exceed \$666,666 aggregated with two 24-month extension options in an amount not to exceed \$666,666 aggregated for the first option and \$666,668 aggregated for the second option, for a total contract amount not to exceed \$2,000,000 aggregated.					
Amount and Source of Funding					
Funding in the amount of \$27,778 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy. Funding for the remaining 23 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.					
Purchasing Language:	Best evaluated proposals.				
Prior Council Action:					
For More Information:	Gage Loots, Supervising Senior Buyer, 512-322-6251				
Boards and Commission Action:	August 18, 2014 - To be reviewed by the Electric Utility Commission.				
Related Items:					
MBE / WBE:	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

These contracts will provide specialized maintenance and repair services for the 10 centrifugal chillers located at Austin Energy's Sand Hill Energy Center. The services are to be provided as required and include preventative maintenance, routine repairs, complete overhauls, inspections, testing, and upgrades. The chillers cool the inlet air for the six LM6000 gas turbines so the generators can reach rated capacity during hot summer days. Without chilled air during the summer peak, the capacity of each generator would be reduced by nine megawatts.

The pool of contractors will furnish the labor and supervision, equipment, tools, parts, and supplies necessary to support maintenance and repair the chillers. Multiple contractors are needed to assure timely response and expertise. For each project, the contractors will submit a work plan, schedule, and pricing. The project will be awarded to the contractor with the lowest price who is able to perform the work within the required timeline.

An Austin Energy evaluation team with expertise in this area evaluated the proposals and unanimously chose these proposals as the best to provide these services. Evaluation criteria used to evaluate the proposals included solution to accomplish work, cost, experience, parts availability, and local business presence.

MBE/WBE solicited: 5/1

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred, twelve notices were sent, including five MBEs and one WBE. Four proposals were received, with no response from the MBEs/WBE.

APPROVAL JUSTIFICATION

- a. Best evaluated proposals. Entech Sales and Service, Inc., Trane U.S., Inc., and Central Texas Commercial A/C & Heating are the current providers of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.