

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	47635	Agenda Number	27.
Meeting Date:	August 6, 2015			
Department:	Purchasing			
Subject				
Authorize negotiation and execution of 24-month contracts with HPI, LLC and MECHANICAL DYNAMICS & ANALYSIS, LTD., to provide aero-derivative generator maintenance services for Austin Energy, in a combined amount not to exceed \$3,000,000, with two 24-month extension options in a combined amount not to exceed \$2,000,000 per extension option, for a combined total contract amount not to exceed \$7,000,000.				
Amount and Source of Funding				
Funding in the amount of \$250,000 is available in the Fiscal Year 2014-2015 Operating Budget of Austin Energy. Funding for the remaining 22-months of the original contract term 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:	Nicole Turner, Senior Buyer, 512-322-6586			
Boards and Commission Action:	August 17, 2015 - To be reviewed by the Electric Utility Commission.			
Related Items:				
MBE / WBE:	This contract was 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

The contract will provide generator maintenance services for Austin Energy's 10 generators driven by aero-derivative gas turbines. Decker Creek Power Station has four Electric Machinery generators with a total capacity of 200 megawatts driven by eight Pratt & Whitney FT4C1 gas turbines. Sand Hill Energy Center has six Brush generators with a total capacity of 282 megawatts driven by six General Electric LM600 gas turbines.

The contract specifically provides Austin Energy with access to qualified labor, supervision, tools for the maintenance and repair, overhaul, parts, balancing, and testing on Electric Machinery and Brush generators, exciters and automatic voltage regulators. This is a needs-based contract and the amount and scope of work assigned to contractors will be highly variable and based upon Austin Energy's maintenance requirements. Both contractors have extensive utility scale generator maintenance experience including experience with Electric Machinery and Brush generators.

An evaluation team with expertise in this area reviewed and rated the proposals as the best to provide the services. Evaluation criteria used to evaluate the proposals included technical solution and program, cost, experience and qualifications.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. 115 notices were sent. Two proposals were received. There are no known MBEs/WBEs for this commodity code.

APPROVAL JUSTIFICATION

- a. Best evaluated proposals.
- b. The Purchasing Office recommends contract award consistent with the evaluation committee.
- c. Advertised on the Internet.