

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	54528	Agenda Number	28.
Meeting Date:	February 25, 2016			
Department:	Purchasing			
Subject				
Approve ratification of a contract with OSMOSE UTILITY SERVICES, INC. for the emergency repair of two electrical transmission towers in the amount of \$70,000.				
Amount and Source of Funding				
Funding is available in the Fiscal Year 2015-2016 Operating Budget of Austin Energy.				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:	Emergency Purchase			
Prior Council Action:				
For More Information:	Gage Loots, Corporate Purchasing Manager, 512-322-6251			
Boards and Commission Action:	January 25, 2016 - Recommended by the Electric Utility Commission on a 9-0-0-2 vote with Commissioner's Osborne and Mahmood absent.			
Related Items:				
MBE / WBE:	This contract is exempt from City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program as specified in Texas Government Code Chapter 252.022.			

Additional Backup Information

The contract is for the purchase of emergency repair services of two electrical transmission towers. One tower is on 345 kilovolt (kV) Transmission Circuit 3131 connecting the Fayette Power and Lost Pines Power Plants. The other tower is on 138 kV Transmission Circuit 920 connecting Austin Energy's Austrop and Dunlap Substations. Both circuits provide major transmission paths from the east to provide reliable transmission service.

During routine inspections, two towers were identified to have lattice tower legs with severe corrosion at the ground line. Corrosion in these steel members can reduce the compressive, tensile and ductility properties. If repairs are not made, and given the right weather conditions (e.g., freezing rain), the towers could fail, posing a serious safety risk to personnel and the public. Additionally, if these structures fail it will cause a significant system event including

localized or cascading power outages impacting both Austin Energy and the ERCOT grid.

In order to immediately initiate the repairs needed to address this potential safety hazard, this procurement was designated as an emergency purchase to be brought to Council for ratification.