

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

57822

Agenda Number

23.

Meeting Date:

May 19, 2016

Department:

Purchasing

Subject

Authorize negotiation and execution of a 60-month contract with SOLAR TURBINES, INC for turbine maintenance and support in an amount not to exceed \$4,636,758.

Amount and Source of Funding

Funding in the amount of \$309,117 is available in the Fiscal Year 2015-2016 Operating Budget of Austin Energy. Funding for the remaining 52 months of the original contract period is contingent upon available funding in future budgets.

Fiscal Note

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

Purchasing Language:

Sole Source

Prior Council Action:

For More Information:

Cheryl Kaufman, Senior Buyer, 512-505-3545

Boards and Commission Action:

April 18, 2016 - Recommended by the Electric Utility Commission on an 11-0 vote.

Related Items:

MBE / WBE:

This contract is exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established.

Additional Backup Information

The contract is for continued long-term maintenance service, parts, and remote monitoring of the Solar Mercury™ 50 gas turbine at Austin Energy's Mueller Energy Center. This turbine is the primary source of power for Dell Children's Medical Center of Central Texas; it provides the Mueller Energy Center with energy and produces energy for export. Its waste heat is used to generate steam for use in a heat recovery steam generator that also produces chilled water for commercial use.

Solar Turbines, Inc. is responsible for all preventative and corrective maintenance of the main power unit to warranty the unit. In addition, services include remote monitoring to ensure overall unit health. The contract will help ensure a reliable generation unit and thus increase the reliability of electrical service to the Dell Children's Medical Center.

Solar Turbines, Inc. is the original equipment manufacturer for the unit and sole source for all parts and service, without the use of authorized distributors of third parties.