

## A G E N D A



## Recommendation for Council Action (CCO)

Austin City Council

Item ID:

60656

Agenda Number

15.

Meeting Date:

August 18, 2016

Department:

Capital Contracting Office

## Subject

Authorize negotiation and execution of a professional services agreement with the following three staff-recommended firms for Request for Qualifications Solicitation No. CLMP193A: STRUCTURAL INTEGRITY ASSOCIATES, INC., REINHART & ASSOCIATES, INC., and INTERTEKUSA DBA INTERTEKAIM, to provide engineering services for the 2016 Inspection and Analysis of Power Generation Facilities Rotation List - Reissue, for an estimated period of three years or until financial authorization is expended, for a total amount not to exceed \$4,000,000 divided among the three firms.

## Amount and Source of Funding

Funding is contingent upon approval of the proposed Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding for any remainder of the contract period is contingent upon available funding in future budgets.

## Fiscal Note

A fiscal note is not required.

**Purchasing Language:**

Staff recommends the three firms evaluated through the City's qualifications-based selection process.

**Prior Council Action:**



**For More Information:**

Rolando Fernandez, 512-974-7749; Sarah Torchin, 512-974-7141; Annette Guerra, 512-322-6203

**Boards and Commission Action:**

To be reviewed by the Electric Utility Commission on August 15, 2016.

**Related Items:**



**MBE / WBE:**

This contract will be awarded in compliance with Chapter 2-9B of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). Goals were not established for this solicitation due to limited subcontracting opportunities and limited availability.

## Additional Backup Information

Rotation list contracting allows the City of Austin to continuously have available a group of qualified consultants to perform specific types of recurring work in a timely manner in order to meet project needs. The City maintains a rotation list of professional engineering firms to provide for the inspection and analysis of Austin Energy's power generation facilities including two gas-fired power plants and four district cooling plants. The power plants—Decker Creek Power Station and Sand Hill Energy Center consist of a total of six steam units, eight simple cycle gas turbines, and one combined cycle unit. The Decker Creek Power Station is located in District 1 and the Sand Hill Energy Center is located in District 2. Austin Energy also owns and operates four district cooling plants: the Mueller Energy Center in District 9; two Downtown District Cooling Plants in District 9; and the Domain Plant in District 7. In addition to district cooling and thermal storage technology, the Mueller Energy Center includes a combined heat and power system.

The selected firms shall provide testing and inspection services at Austin Energy's power plants and district cooling plants. Services will include engineering the identification of necessary examinations, failure analysis, non-destructive examination inspections, laboratory testing, root cause analysis, sampling and interpretations. The contractors will provide engineering reports and recommendations as required. Projects will include, but are not limited to, work on boilers and auxiliary components, piping systems, and various rotating equipment with the objective of upgrading the overall safety and reliability of plant operations.

The contracting authority for the existing 2005 Rotation List has been exhausted. Total funding authority for the 2016 Inspection and Analysis of Power Generation Facilities Rotation List is \$4,000,000, with the authority to be distributed equally among the three firms. The 2005 Rotation List initially included five firms and \$3,000,000 in total funding authority. A delay in establishing the 2016 Inspection and Analysis of Power Generation Facilities Rotation List contract would negatively impact the completion of necessary and required projects.

Prior to issuing, this solicitation was reviewed by the City's Rotation List Advisory Committee, which is made up of staff from the Capital Contracting Office, Small and Minority Business Resource Department, Public Works, and Austin Energy. The total authorization amount, the number of firms to be recommended for selection, and the authorization amount per firm were discussed and reviewed by the Committee.

This request allows for the development of a professional services agreement with each of the three recommended firms for an estimated period of three years or until financial authorization is expended. Initial project assignments will be based on the firm's final ranking as determined during the Request for Qualifications evaluation (highest to lowest), the maximum cumulative contracted amount in comparison to the estimated task budget for that firm, and the firm's qualifications and availability of expertise at time of project need. Authorizations for each firm may be increased or decreased, through the life of the contract based on the needs of a particular assignment and will follow established rotation list policies and procedures. If the City is unsuccessful in negotiating a satisfactory agreement with a recommended firm(s), if a selected firm ceases practice during the contract period, or if the City elects to terminate its agreement with one of the selected firms, the remaining assignments will be assigned to the remaining firm(s) for the duration of the contract period.

**RECOMMENDED FIRMS:**

STRUCTURAL INTEGRITY ASSOCIATES, INC. is located in Austin, TX

REINHART & ASSOCIATES, INC. is located in Austin, TX.

INTERTEK USA; DBA INTERTEK AIM is located in Houston, TX.