

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council		Item ID:	71226	Agenda Number	31.
Meeting Date:		June 15, 2017			
Department:		Purchasing			
Subject					
Authorize negotiation and execution of a 60-month contract with SCHNEIDER ELECTRIC SYSTEMS USA INC., to provide generator control system maintenance and support services, in an amount not to exceed \$1,200,000.					
Amount and Source of Funding					
Funding in the amount of \$60,000 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding for the remaining 57 months of the original contract period is contingent upon available funding in future budgets.					
Fiscal Note					
A fiscal note is not required.					
Purchasing Language:	Sole Source				
Prior Council Action:					
For More Information:	Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@ austintexas.gov or to the buyer, Cheryl A. Kaufman, at 512-505-3545 or Cheryl.Kaufman@ austinenergy.com				
Boards and Commission Action:	May 15, 2017 - Recommended by the Electric Utility Commission on a 9-0 vote, with two vacancies.				
Related Items:					
MBE / WBE:	Sole soure contracts are 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 maintenance of the Foxboro control systems for generators at Decker Creek Power Station and Sand Hill Energy Center. The contract will include proprietary software updates, preventative maintenance, hardware, training, field service, and 24/7 phone support for the Foxboro control systems. Schneider Electric Systems USA Inc. is the manufacturer and sole source for these parts and maintenance and does not permit outsourcing of these products or services to any representatives, distributors, or third party partners.

The Foxboro control system operates and monitors several critical processes including boiler controls, burner management systems, data acquisition, turbine controls, and air emission controls systems which minimize nitrous

oxides emissions to ensure air permit compliance.

This contract will replace the current contract which expires on July 18, 2017. The cost for future maintenance of this system is anticipated to be similar to the amount of the current contract which has utilized approximately \$925,000 of the \$1,207,000 authorization.

Without this critical software Austin Energy will not be able to ensure the continuity of power production and reduced air emissions.