

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: October 18, 2018

Item Number: 028

Purchasing Office

Authorize negotiation and execution of a contract with Johnson Controls Inc., to provide chiller maintenance, repairs, and upgrades, for a term of five years for a total contract amount not to exceed \$3,350,000. (Note: Sole source 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).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$587,730 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.
Purchasing Language	Sole Source.
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, Terry V. Nicholson, at 512-322-6586 or Terry.Nicholson@austinenergy.com .
Council Committee, Boards and Commission Action	September 17, 2018 - Recommended unanimously by the Electric Utility Commission on an 8-0 vote, with Commissioners Vaughn and Wray absent and one vacancy.
Client Department(s)	

	Austin Energy.
--	----------------

Additional Backup Information:

The contract will provide preventative and corrective maintenance, operational inspections, repairs, improvements, and upgrades on the York chillers located at Austin Energy's district cooling plants. The chillers transform electrical energy into thermal energy which is then distributed to customers in the form of chilled water and steam services. Preventative maintenance on these systems is required to ensure system reliability and maintain Austin Energy's ability to provide uninterrupted chilled water service to commercial customers.

Johnson Controls Inc. is the manufacturer of York chiller systems and their service branch is the only authorized company to provide maintenance on the proprietary mechanical equipment.

The current contract expires July 31, 2019; however, the authorization is nearly exhausted.