



Recommendation for Action

File #: 19-2934, **Agenda Item #:** 29.

10/3/2019

Posting Language

Authorize negotiation and execution of a contract with Cormetech, Inc., for the replacement of four catalyst bundles at Sand Hill Energy Center in an amount not to exceed \$1,800,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there was an insufficient availability of certified M/WBEs; therefore, no subcontracting goals were established. However, the recommended contractor identified subcontracting opportunities).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding is available in the Fiscal Year 2019-2020 Capital Budget of Austin Energy.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) 1100 TVN3006 for these goods and services. The solicitation issued on April 20, 2019 and it closed on June 6, 2019. Of the three offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=130315)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=130315>.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or

AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>>

Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Terry V. Nicholson, at 512-322-6586 or Terry.Nicholson@austintexas.gov

<<mailto:Terry.Nicholson@austintexas.gov>>.

Council Committee, Boards and Commission Action:

September 9, 2019 - Recommended by the Electric Utility Commission on a 6-0-1 vote, with Commissioner Hadden abstaining and Commissioners Boyle, Funkhouser, Hopkins and Wray absent.

Additional Backup Information:

The contract is for the purchase of four new catalyst bundles which are part of the selective catalytic reduction systems (SCRs) for the power generating systems at Sand Hill Energy Center. The SCR units remove nitric

oxide and nitrogen dioxide emissions to meet air quality standards required by the Texas Commission on Environmental Quality. The contractor will provide a complete turnkey package, including removal of the existing catalyst bundles, manufacturing and installation of the new bundles, and final testing. Each one of the catalyst bundles will be installed on simple cycle units 1-4.

The existing units have been in service since 2007 and are at the end of their useful life. Without a functioning catalyst system, the simple cycle units at Sand Hill Energy Center will not be able to fully operate, which would directly affect the reliability and regulatory aspects of these units. Cormetech, Inc. was the original installer of the existing catalyst systems.

An evaluation team with expertise in this area evaluated the offers and scored Cormetech, Inc. as the best to provide these services based on system concept and solutions proposed, demonstrated applicable experience, schedule, total evaluated price, service-disabled veteran business enterprise, and local business preference.