



Recommendation for Action

File #: 19-2937, **Agenda Item #:** 31.

10/3/2019

Posting Language

Authorize negotiation and execution of two multi-term contracts with Siemens Energy Inc. and Mechanical Dynamics & Analysis LLC, to provide generator and steam turbine maintenance and repair services, each for up to six years for total contract amounts not to exceed \$30,000,000 divided between the contractors.

(Note: These solicitations were reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for these solicitations, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$5,000,000 is available in the Fiscal Year 2019-2020 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued two Requests for Proposals (RFP) for these services:

RFP 1100 CAK3000 was issued on June 4, 2018 and it closed on July 19, 2018. Of the three offers received, the recommended contractor submitted the only 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=125329>

RFP 1100 MEA3001 was issued on December 5, 2018 and it closed on January 22, 2019. Of the two offers received, the recommended contractor submitted the only 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=128932>.

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>>

NOTE: 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:

These contracts will provide Austin Energy with specialized maintenance services on the hydrogen cooled generators and steam turbines located at Sand Hill Energy Center and Decker Creek Power Station. The contractors will provide both planned and emergency services including inspections, modification, upgrades and testing as required and will furnish the labor and supervision, equipment, tools, and parts necessary to support maintenance and overhaul work on generators and steam units.

Two qualified contractors will ensure timely response and additional expertise and provide access to both Siemens and GE parts to support equipment installed at power plants. Contractors will submit a work plan, schedule and pricing for individual projects, and the contractor offering the best value to the City will be awarded the work for that project.

The current contract expires in October 2019. Both contractors are the current providers for these services.

An evaluation team with expertise in this area evaluated the offers and scored Siemens Energy Inc. and Mechanical Dynamics & Analysis LLC as the best to provide these services based on technical solution and program, experience and qualifications and personnel, total evaluated cost, service-disabled veteran business enterprise, and local business preference.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$10,000,000
Optional Extension 1	1 yr.	\$ 5,000,000
Optional Extension 2	1 yr.	\$ 5,000,000
Optional Extension 3	1 yr.	\$ 5,000,000
Optional Extension 4	1 yr.	\$ 5,000,000
TOTAL	6 yrs.	\$30,000,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.