



## Recommendation for Action

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**File #:** 22-3024, **Agenda Item #:** 25.

9/29/2022

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**Posting Language:**

Ratify a contract amendment with Parker Hannifin Corporation to provide air filters, for an increase in the amount of \$84,000, for a revised total contract amount not to exceed \$412,156.

(Note: This contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this contract, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

**Lead Department:**

Financial Services Department.

**Client Department(s):**

Austin Energy.

**Fiscal Note:**

Funding was available in the Fiscal Year 2021-2022 Operating Budget of Austin Energy.

**Purchasing Language:**

Ratification.

**For More Information:**

Inquiries should be directed to Darralyn N. Johnson, at 512-974-2398 or [Darralyn.Johnson@austintexas.gov](mailto:Darralyn.Johnson@austintexas.gov) [<mailto:Darralyn.Johnson@austintexas.gov>](mailto:Darralyn.Johnson@austintexas.gov).

**Additional Backup Information:**

The contract provides Sand Hill Energy Center with air filters necessary for upkeep and operation of the generators. These filters are used to clean air entering the gas turbine and are critical to power plant operations and power generation. The contract was executed through a formal bid process which resulted in an award under City Manager's authority. Global supply chain challenges impacted the lead time and costs of air filters. Rising costs caused Austin Energy's spend to exceed the originally estimated contract amount, and an order had to be placed prior to obtaining Council approval to secure the filters in time for Sand Hill Energy Center's fall outage. If the filters were not replaced at that time, power generation will be impacted, and critical equipment could be damaged.

**Contract Detail:**

<b>Contract Term</b>	<b>Length of Term</b>	<b>Current Contract Authorization</b>	<b>Requested Additional Authorization</b>	<b>Revised Total Authorization</b>
Initial Term	6 yrs.	\$328,156		\$328,156
Contract Amendment			\$84,000	\$ 84,000
<b>TOTAL</b>	<b>6 yrs.</b>	<b>\$328,156</b>	<b>\$84,000</b>	<b>\$412,156</b>

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

**Strategic Outcome(s):**

Government that Works for All.