



Recommendation for Action

File #: 23-2358, **Agenda Item #:** 58.

7/20/2023

Posting Language

Authorize amendments to three contracts for gas turbine maintenance with MTU Maintenance Berlin-Brandenburg GmbH d/b/a MTU Maintenance, Transcanada Turbines Inc. d/b/a Transcanada Turbines Ltd, and Wood Group Pratt & Whitney Industrial Turbine Services LLC, to increase the amount by \$11,000,000 and to extend the term by one year for revised total contract amounts not to exceed \$45,000,000, divided among the contractors.

[Note: These contracts 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 contracts, there were no subcontracting opportunities; therefore, no subcontracting goals were established].

Lead Department

Financial Services Department.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$1,833,333 is available in the Fiscal Year 2022-2023 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

August 31, 2017 - Council approved the original contracts on an 11-0 vote.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Council Committee, Boards and Commission Action:

July 10, 2023 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

These amendments will provide Austin Energy continued specialized maintenance services for gas turbines in use at Decker Creek Power Station and Sand Hill Energy Center. The services include planned and emergency maintenance. The contractors furnish equipment, tools, parts, supplies, labor, and supervision. Multiple contractors are required to provide expertise on each gas turbine model and to ensure timely

response. Additional time and funding are needed to continue services while new contracts are established.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	1 yr.	\$ 6,800,000		\$ 6,800,000
Extension Option 1	1 yr.	\$ 6,800,000		\$ 6,800,000
Extension Option 2	1 yr.	\$ 6,800,000		\$ 6,800,000
Extension Option 3	1 yr.	\$ 6,800,000		\$ 6,800,000
Extension Option 4	1 yr.	\$ 6,800,000		\$ 6,800,000
Proposed Amendment	1 yr.		\$11,000,000	\$11,000,000
TOTAL	6 yrs.	\$34,000,000	\$11,000,000	\$45,000,000

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