



Recommendation for Action

File #: 23-2897, Agenda Item #: 12.

10/5/2023

Posting Language

Authorize negotiation and execution of three contracts for power plant maintenance services with ProServ Industrial Contractors, LLC, Taurus Industrial Group, LLC, and Thielsch Engineering, Inc., each for up to five years for a total contract amount not to exceed \$27,000,000, divided among the contractors.

[Note: This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9B (Minority Owned and Women Owned Business Enterprise Procurement Program) and subcontractor goals were applied to the procurement. Subcontracting goals were met by all recommended contractors].

Lead Department

Financial Services Department.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$5,400,000 is available in the Fiscal Year 2023-2024 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Austin Energy is designating this purchase as a Critical Business Need in accordance with Senate Bill 7, as adopted by the City as Resolution No. 040610-02.

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:

September 11, 2023 - Recommended by the Electric Utility Commission on a 7-0 vote with Commissioners Blackburn and Bowen absent and two vacancies.

Additional Backup Information:

These contracts will provide specialized maintenance and repair services for Sand Hill Energy Center, Decker Creek Power Station, and District Energy Cooling plants. The contractors will furnish labor, supervision, equipment, tools, parts, supplies, subcontractors, and other services necessary to support Austin Energy power and district cooling sites. The services provided by these contracts will allow Austin Energy to maintain reliable operations critical for grid stabilization.

Austin Energy designated this procurement a Critical Business Need due to the critical nature of the work needed at the plants to ensure timely response and multiple providers. Staff vetted a short list of contractors for their expertise in this specialized field to determine the best value to the City.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$10,800,000
Optional Extension 1	2 yrs.	\$10,800,000
Optional Extension 2	1 yr.	\$ 5,400,000
TOTAL	5 yrs.	\$27,000,000

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