



Recommendation for Action

File #: 23-2899, **Agenda Item #:** 14.

10/5/2023

Posting Language

Authorize negotiation and execution of a contract for valve repair, replacement, and testing services with Southeast Valve, Inc., for up to five years for a total contract amount not to exceed \$4,000,000.

[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 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 \$800,000 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:

The Financial Services Department issued a Request for Proposals (RFP) 1100 JMF3021 for these goods and services. The solicitation was issued on April 17, 2023, and closed on May 18, 2023. The recommended contractor submitted the only responsive offer. A complete solicitation package, including a log of the offer received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link:

[Solicitation Documents](#)

https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=138255.

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. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

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:

The contract provides Austin Energy with labor, materials, and expertise for the repair of valves to facilitate emergency and maintenance activities at Austin Energy power plants. Valve repair is used on an as-needed basis to repair all types of valves in power plants. Many of the valves are very costly and require specialized equipment and training to maintain and repair.

An evaluation team with expertise in this area evaluated the offers and scored Southeast Valve, Inc. as the best to provide these services based on price, service-disabled veteran business enterprise, local preference, project concept and strategy, and experience.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$ 800,000
Optional Extension 1	1 yr.	\$ 800,000
Optional Extension 2	1 yr.	\$ 800,000
Optional Extension 3	1 yr.	\$ 800,000
Optional Extension 4	1 yr.	\$ 800,000
TOTAL	5 yrs.	\$4,000,000

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