



City of Austin

Recommendation for Action

File #: 24-4387, **Agenda Item #:** 19.

5/2/2024

Posting Language

Authorize negotiation and execution of three contracts for gas turbine repair and maintenance with ProEnergy Services LLC; Transcanada Turbines, Inc.; and Wood Group Pratt & Whitney Industrial Turbine Services LLC, each for up to five years for total contract amounts not to exceed \$60,000,000, divided among the contractors.

[Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the 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 \$2,750,000 is available in the Fiscal Year 2023-2024 Operating Budget of Austin Energy.

Funding in the amount of \$4,500,000 is available in the Capital 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 MLR3011 for these services. The solicitation was issued on August 21, 2023, and closed on September 28, 2023. Of the five offers received, the recommended contractors submitted the best evaluated responsive offers. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. This information can currently be found at:

https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=139219.

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:

April 15, 2024 - Recommended by the Electric Utility Commission on a vote of 8-1-1 with Commissioner White voting against, Commissioner Reed abstaining, and one vacancy.

Additional Backup Information:

These contracts will provide specialized planned and emergency maintenance services for inspections, repairs, modifications, upgrades, and testing for aeroderivative gas turbines in use at Decker Creek Power Station and Sand Hill Energy Center. The City requires multiple contractors in order to provide knowledge specific to the gas turbine manufacturers and to ensure timely response.

An evaluation team with expertise in this area evaluated the offers and scored ProEnergy Services LLC; Transcanada Turbines, Inc.; and Wood Group Pratt & Whitney Industrial Turbine Services LLC as the best to provide these services based on price, service-disabled veteran business enterprise, local preference, solution, and experience.

Transcanada Turbines, Inc. and Wood Group Pratt & Whitney Industrial Turbine Services LLC are current providers of these services.

A delay in contract approval could impact Austin Energy's ability to maintain these turbines, impacting service to Austin Energy customers.