

## AGENDA



Thursday, July 26, 2007

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 47**

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**Subject:** Authorize award and execution of a 12-month requirements supply agreement with SMART SYSTEMS INTERNATIONAL, Las Vegas, NV, for the purchase of occupancy-controlled thermostats in an estimated amount not to exceed \$380,069.

**Amount and Source of Funding:** Funding in the amount of \$63,345 is available in the Fiscal Year 2006-2007 Operating Budget of Austin Energy. Funding for the remaining ten months of the original contract period is contingent upon available funding in future budgets. Funding in the amount of \$163,800 will be reimbursed by AISD.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Sandy Calles, Buyer Sr./322-6487

**Purchasing Language:** Sole Source.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

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This contract will provide an energy management solution through occupancy-controlled thermostats installed on air conditioning systems in school portable facilities. The thermostats have a patented technology that uses occupancy sensors to automatically control the cooling when the classrooms are not occupied, which results in energy and demand savings while retaining the occupant's comfort level.

Providing this solution allows the school districts to have better control of their energy usage in school portable facilities. The Austin Independent School District (AISD) has requested Austin Energy's assistance through an existing Interlocal Agreement to implement the installation of the occupancy-controlled thermostats. Funding in the amount of \$158,227.50 will be reimbursed to Austin Energy by AISD for the thermostats. In the future, this solution will be available to other Independent School Districts within the Austin Energy service area.

Smart Systems International is the only supplier of this patented solution that has been tested and shown to be fully-compatible with Austin Energy's proprietary Radio Frequency (RF) that is used in this program and that is available to be used in general commercial facilities.

This offering is a unique addition to the successful Commercial Power Partner – Demand Response Program that supports the initiatives of the Austin Energy Resource Plan and is both a peak-demand and energy-saving program for the utility.

This purchase will provide an estimated 432 kW of peak demand savings and approximately 2,800-MWhs in energy savings. This is accomplished at a program cost of approximately \$500 per kilowatt saved (after the AISD reimbursement), and will play a significant part in reaching the Division's increased goal in FY07.

This program will use 1,500 thermostats/sensors. Installations will be handled through an existing installation contract with Honeywell Utility Solutions.