

AGENDA



Thursday, March 3, 2011

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 16**

Subject: Authorize award and execution of a contract through the TEXAS MULTIPLE AWARD SCHEDULE (TXMAS) cooperative purchasing program with TRANE U.S., INC., La Crosse, WI, for the purchase and installation of a centrifugal chiller at the John Henry Faulk Library in an estimated amount not to exceed \$203,229.

Amount and Source of Funding: Funding is available from the Department of Energy (DOE) as a result of the American Recovery and Reinvestment Act (ARRA) of 2009 for the grant period of December 28, 2009 to December 27, 2012. No match is required.

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

For More Information: Shawn Harris, Supervising Sr. Buyer/505-7351

MBE/WBE: This Cooperative Contract is exempt from the MBE/WBE Ordinance. This exemption is in compliance with Chapter 2-9D of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). Although no goals were established for this solicitation, 0.00% MBE and 20.20% WBE subcontractor participation has been met.

Boards and Commission Action: Recommended by the Resource Management Commission. To be reviewed by the Electric Utility Commission on February 28, 2011. Related to Item #17.

Prior Council Action: February 4, 2010 - Approved acceptance of \$7,492,700 grant from DOE amending the budget.

This contract is for the purchase and installation of a centrifugal chiller for the John Henry Faulk Library to replace an old, inoperable chiller. Chillers are refrigeration units that cool water to be distributed to buildings for the purpose of temperature and humidity control. Once the chilled water is used it is returned to the chiller, and the water is chilled once again and sent out back through a continuous loop.

The chiller being replaced provides chilled water for the J.H. Faulk Library and Austin History Center campus. When the Faulk Library was constructed in the 1970s, the mechanical systems were designed for two chillers. One of those chillers was replaced in the 1990s. That chiller recently failed and cannot be repaired. As a result, both buildings are being cooled by the remaining original chiller. This chiller is nearing the end of its life span, and is no longer an efficient component of the air conditioning system at the facility.

This contract with Trane U.S., Inc. will replace the failed chiller with a new high efficiency machine, and install two variable frequency drives (VFD) on the pumps that serve it. The new chiller and VFD combination will reduce energy consumption and facility maintenance. This can greatly reduce operating costs, and will provide a significant reduction of the City of Austin's carbon footprint.

Through a separate, related purchase, two cooling towers will be provided by Trane U.S., Inc. and will be funded by the Library Department. The towers are used to reject the heat produced by the chiller to the environment.

This action will result in reducing the facility's electrical demand by an estimated 20.4 kW, and annual energy usage by an estimated 113,150 kWh per year. The energy savings presented by this project are the equivalent of eliminating 75 tons of Carbon Dioxide. As a comparison, this amount of CO2 reduction equates to: eliminating 152,547 vehicle miles, removing 13 vehicles from our roads, planting 1,745 trees, or planting 87 acres of parkland forest.

Trane U.S., Inc is contracted through TXMAS to provide this service and equipment to other public entities state-wide. The cooperative purchasing program is coordinated by the State of Texas, Comptroller of Public Accounts and allows the City to use TXMAS contracts that have been developed from contracts that were competitively bid and awarded by the General Services Administrations Federal Supply Service. This expedited purchasing process is ideally suited to the expedited project completion requirements associated with ARRA Federal grants. A separate procurement for this equipment could compromise Austin Energy's ability to timely complete this money-saving project.