

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	11190	Agenda Number	68.
Meeting Date:	December 8, 2011			
Department:	Purchasing			
Subject				
Authorize award, negotiation and execution of Amendment No. 4 to nine requirements service contracts with A-PLUS ENERGY MANAGEMENT & A/C, Austin, TX; AMERICAN CONSERVATION & AIR, Austin, TX; APPLE ENERGY GROUP, LLC, Austin, TX; ATS ENGINEERING & INSPECTORS (WBE /FW), Austin, TX; CITY CONSERVATION, Austin, TX; MCCULLOUGH HEATING & AIR CONDITIONING, INC., Austin, TX; STANDARD RENEWABLE ENERGY, Austin, TX; THE INSTITUTE FOR BUILDING TECHNOLOGY AND SAFETY, Herndon, VA; and THE NELROD COMPANY, Fort Worth, TX, to increase the contract for weatherization test in audit services in an estimated combined amount not to exceed \$194,151, for a revised estimated combined contract amount not to exceed \$972,500. Related to item # 5.				
Amount and Source of Funding				
Funding is available from the Department of Energy (DOE) through the Texas Department of Housing and Community Affairs (TDHCA) as a result of the American Recovery and Reinvestment Act (ARRA) of 2009 for the grant period of October 1, 2009 to February 28, 2012. No match is required.				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:	Contract Amendment.			
Prior Council Action:	April 8, 2010 – Approved nine 24-month contracts; April 7, 2011 – Approved amendment increasing contract authority.			
For More Information:	Shawn Harris, Supervising Sr. Buyer/505-7351			
Boards and Commission Action:	Recommended by the Electric Utility Commission and the Resource Management Commission.			
MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9C 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.			

Related Items:**Additional Backup Information**

On April 8, 2010, Council approved nine 24-month requirements service contracts for weatherization test in audit services in an estimated combined amount not to exceed \$450,000. On April 7, 2011 Council approved a \$275,349 increase to these contracts for a total contract amount not to exceed \$778,349. The audit pre-determines the energy efficient measures that can be performed and are cost-effective by ensuring that the discounted savings-to-investment ratio (SIR) is greater than or equal to one. The energy audit assessment will establish the priority of weatherization measures necessary to increase the energy efficient level of a particular home.

This Federal Weatherization Assistance Program complements Austin Energy's existing Free Home Energy Improvement program which is on-going. The goals of both programs are to increase the energy efficiency of the home, increase the comfort level of the homes inhabitants, reduce energy consumption, lower utility bills, and improve the health and safety of residents.

The original federal grant was for \$5,969,774 for the grant period from October 1, 2009 through August 31, 2011 and was estimated to provide for the audit and weatherization of 1,000 low income, elderly, and disabled Austin Energy customers homes. To date, Austin Energy has a total of 1338 homes completed or in the process of receiving a final inspection (test-out). Due to Austin Energy's strong performance on expenditures and production, they have since received a second voluntary reobligation of additional grant funding and an extension in the grant period until February 28, 2012.

This proposed Amendment would allow for the completion of weatherization projects for which applications have already been received as well as some designated multifamily units using this additional grant funding. The time period for this additional funding is extremely short necessitating an expedited process to receive as well as use the funds. It is imperative that the projects are completed and the funds expended within the grant period time frame which does not allow for time to re-solicit the project. AE already having contractors in place to be able to do the work in this time frame was a recognized factor in TDHCA's decision to provide the additional funding. This additional funding will allow Austin Energy to complete 1,591 homes.

Contract Summary

Original Contract	Original 24-month contract	\$ 450,000
Amendment No.1	Amended contract to add FACTA requirements	\$ 0
Amendment No. 2	Administrative Increase	\$53,000
Amendment No. 3	Increased contract amount with Council approval	\$275,349
Proposed Amendment No 4	Increase contract amount from additional Federal funding to allow for additional weatherization test-in audits	\$194,151
Total Revised Contract Amount		\$972,500

