

Late Backup

Carol  
5+68



November 1, 2011

To: Karl R. Rábago  
Vice-President  
Austin Energy, DES

Byron Johnson  
Purchasing Officer  
Purchasing Office, FASD

From: Fred Yebra  
Director  
Austin Energy, EES

Rosemary Ledesma  
Purchasing Manager  
Purchasing Office, FASD

Re: Action Item Response

The following information is provided in response to the action items from the MBE/WBE Subcommittee meeting on October 11, 2011.

Austin Energy and the Purchasing Department have reviewed the certification requirements of the Scope of Work for the ARRA Weatherization Services Program. The results of that review are listed below:

1. The certification requirement in the Scope of Work of the COA contract No. NA100000072, paragraph 3.A is as follows:

"Contractor shall submit proof that a minimum of one employee assigned to work on each unit dwelling for this contract shall have certification from either Building Performance Institute (BPI) or Residential Energy Services Network (RESNET).

Certification shall be current and proof of certification for employees assigned to this project shall be submitted with response in order to be considered responsive and eligible for award. Contractor will be responsible for maintaining all such certifications throughout the contract term, and failure to do so may result in contract termination."

2. The review of all contracts awarded indicates that two Contractors did not possess either certification at the Qualification Statement submittal stage:

A. Climate Mechanical, Inc. – In their response to the solicitation, the Contractor took exception to the requirement shown in #1 above and struck out the submit certification with response and conditioned the response by stating the Contractor shall have responsibility of submitting proof of certification, and the City accepted the exception. Two employees of Climate Mechanical did attend BPI

training and received certification in September of 2010; however, both employees eventually left their positions with the Contractor. Currently, Climate Mechanical, Inc. is compliant with the requirement as they have an employee on staff who is BPI certified.

- B. AirTech Energy Systems, Inc. – An initial review of the Contractor's application incorrectly reflected submission of required certification. Once this deficiency was found, Austin Energy made the decision to suspend new assignments to this Contractor and sent a notification to the Contractor informing them of the deficiency.

Corrective Action/ Remedy: The suspension notification included a request for an update on the status of certification with a response expected by November 4, 2011. Should the Contractor decide not to remedy the problem, AirTech will be advised to complete all current work. Should they indicate a desire to become compliant, Austin Energy will work with them to establish in writing a reasonable schedule and plan for implementation.

3. A review of all Qualification Statement responses showed that none were deemed non-responsive for not meeting certification requirements.
4. The only responses that were disqualified were those whose applications were received late or were found to be blatantly deficient in meeting the requirements of the Scope of Work.
5. Corrective Action/ Remedy: Austin Energy sees the need to provide parity to all Contractors; therefore, a request was made to Climate Mechanical to re-hire an individual or individuals who possess the required certification. Climate Mechanical agreed to this request and immediately hired one employee on staff who meets this requirement and will continue to comply with the contract requirements for the duration of the contract term.
6. Certification Requirement Impact: The requirement for BPI or RESNET certification is Austin Energy's addition to the Scope of Work required by both the Department of Energy and the Texas Department of Housing and Community Affairs. The City has always maintained compliance with all the grant requirements. Austin Energy included the certification requirement to ensure a higher level of quality workmanship, safety and energy efficiency.
7. Austin Energy is confident that the errors and lapses described above did not adversely impact the quality of work performed under the Weatherization Program. This is due to a large number of quality control checks in place at various stages of the work assignments. In addition to the Austin Energy quality control process, the State (TDHCA) and the Department of Energy (DOE) monitor the program every two months. This includes internal process and procedures performed by Austin Energy, review of assessments performed by Test-In contractors, onsite inspection and review

of weatherization measures and work performed by Weatherization Contractors, and review of assessments (final inspection) performed by Test-Out contractors. Overall, the outcomes consistently met Austin Energy and program standards, notwithstanding deviations from Austin Energy's goal that all contractors be and remain in continuous compliance with Scope of Work requirements.

8. Austin Energy and the Purchasing Office will continue to monitor contractual requirements for compliance.

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Veronica Lara, Director, DSMBR