


<div style="text-align: center;"> A U S T I N C I T Y C O U N C I L AGENDA </div> 				
Recommendation for Council Action				
Austin City Council	Item ID	15634	Agenda Number	<ITEM_OUTLINE>
Meeting Date:	5/24/2012		Department:	Austin Energy
Subject				
<p>Approve an ordinance amending the Fiscal Year 2011-2012 Austin Energy Operating Budget of Ordinance No. 20110912-005 to decrease the Austin Energy Operating Fund Ending Balance by \$1,630,000 and increase the transfer to the Conservation Rebates and Incentives Fund by \$1,630,000, and amend the Conservation Rebates and Incentives Fund to increase the transfer from the Austin Energy Operating Fund by \$1,630,000.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$1,630,000 is available from the ending balance of the Austin Energy Operating Fund.</p>				
Fiscal Note				
<p>A fiscal note is attached.</p>				
Purchasing Language:				
Prior Council Action:	September 12, 2011 - Approved the FY 2011-2012 Budget.			
For More Information:	Karl Rábago, Vice President, Distributed Energy Services 322-6098.			
Boards and Commission Action:	Recommended by the Resource Management Commission. To be reviewed by the Electric Utility Commission on May 21, 2012.			
MBE / WBE:				
Related Items:				
Additional Backup Information				
<p>Since 2004, Austin Energy (AE) has operated a highly successful solar program that provides rebates and, more recently, Performance Based Incentives (PBI) to customers for installing qualifying solar photovoltaic (PV) electric generating systems and solar hot water heater systems on their homes and businesses. The program has rapidly stimulated the development of a strong solar installation industry in Austin and has resulted in more than 1,600 rooftop solar installations and 6.5 MW of solar PV installed in Austin. As a result of AE's efforts, the number of solar installers in Austin has grown from 4 to 34 over the past eight years. According to Solar Austin, a local not-for-profit organization, over 600 jobs have been created. By all accounts, the solar incentive program has been a success.</p> <p>The budget for the residential PV rebate program in FY2012 is \$2.7 million, out of a total approved budget for solar incentives of \$3 million. As of April 30, 2012, Austin Energy had paid \$1.9 million, or 70%, of the FY12 residential rebate budget at a level \$2.50 per installed watt of capacity. Additionally there were \$1.5 million in pending applications. AE now estimates that at the current rate of customer participation, the end-of-year budget</p>				

will fall short by \$1,630,000. Austin Energy is seeking authorization to amend Ordinance No. 20110912-005, the Fiscal Year 2012 Operating Budget to increase the Conservation Rebates and Incentives Fund by transferring \$1,630,000 from the Operating Budget ending fund balance to fund this additional demand in residential solar rebates. Given the pending rate review and potential new value of solar rate, Austin Energy concludes that it would not be prevalent to institute a reduction in the rebate amount, a tool used in the past to slow demand, at least until AE has a clearer view of current market conditions.

ORDINANCE NO.**AN ORDINANCE AMENDING THE FY 2011-2012 OPERATING BUDGET FOR AUSTIN ENERGY, ORDINANCE NO. 20110912-005 TO INCREASE EXPENDITURES AND APPROPRIATIONS****BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

PART 1. The Council amends the Fiscal Year 2011-2012 Austin Energy Operating Budget of Ordinance 20110912-005 to decrease the Ending Balance by \$1,630,000 and increase the Operating Requirements by \$1,630,000 for an additional transfer to the Conservation Rebates and Incentives Fund to increase the Electric Rebates and Incentives;

PART 2. The Council amends the Fiscal Year 2011-2012 Austin Energy Operating Budget Conservation Rebates and Incentives Fund of Ordinance 20110912-005 to increase the Transfers In by \$1,630,000 and increase the Requirements by \$1,630,000 for additional Electric Rebates and Incentives;

PART 3. This ordinance takes effect on June 4, 2012,

PASSED AND APPROVED

_____, 2012 §
 §
 § _____
 Lee Leffingwell
 Mayor

APPROVED: _____
 Karen Kennard
 City Attorney

ATTEST: _____
 Shirley A. Gentry
 City Clerk

OPERATING BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):
FUND:

5/24/12
 Austin Energy
 Operating Fund

Subject: Approve an ordinance amending the Fiscal Year 2011-2012 Austin Energy Operating Budget of Ordinance No. 20110912-005 to decrease the Austin Energy Operating Fund Ending Balance by \$1,630,000 and increase the transfer to the Conservation Rebates and Incentives Fund by \$1,630,000, and amend the Conservation Rebates and Incentives Fund to increase the transfer from the Austin Energy Operating Fund by \$1,630,000.

CURRENT YEAR IMPACT:

	2011-12 Approved	This Action	2011-12 Amended
Beginning Balance	115,372,943	0	115,372,943
Total Revenue	1,139,447,227	0	1,139,447,227
Total Transfers In	0	0	0
Total Appropriated Funds	1,139,447,227	0	1,139,447,227
Operating Requirements			
Austin Energy Operating Fund	831,562,983	1,630,000	833,192,983
Total Debt Service	175,100,697	0	175,100,697
Total Transfers Out	182,123,091	0	182,123,091
Total Other Requirements	28,216,983	0	28,216,983
Total Operating Requirements	1,217,003,754	1,630,000	1,218,633,754
Excess (Deficiency) of Total Available Over Total Requirements	(77,556,527)	(1,630,000)	(79,186,527)
Ending Balance	37,816,416	(1,630,000)	36,186,416
Austin Energy FTEs	1,706.00	0.00	1,706.00

FIVE-YEAR IMPACT:

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Total Revenue	1,139,447,227	0	0	0	0
Total Program Requirements	833,192,983	0	0	0	0
Total Other Requirements	385,440,771	0	0	0	0
Net Budget Impact	(79,186,527)	0	0	0	0

ANALYSIS / ADDITIONAL INFORMATION: This operating budget amendment is for adding additional Conservation Rebates and Incentives fund solar rebates. The budget for the residential PV rebate program in FY2012 is \$2.7 million, out of a total approved budget for solar incentives of \$3 million. As of April 30, 2012, Austin Energy had paid \$1.9 million, or 70%, of the FY12 residential rebate budget at a level \$2.50 per installed watt of capacity. Additionally there were \$1.5 million in pending applications. AE now estimates that at the current rate of customer participation, the end-of-year budget will fall short by \$1,630,000. Austin Energy is seeking authorization to amend Ordinance No. 20110912-005, the Fiscal Year 2012 Operating Budget to increase the Conservation Rebates and Incentives Fund by transferring \$1,630,000 from the Operating Budget ending fund balance to fund this additional demand in residential solar rebates. Given the pending rate review and potential new value of solar rate, Austin Energy concludes that it would not be prevalent to institute a reduction in the rebate amount, a tool used in the past to slow demand, at least until AE has a clearer view of current market conditions.

The above five-year impact analysis illustrates the total revenue and expense projections for the Austin Energy Operating Fund.

OPERATING BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):
FUND:

5/24/12
 Austin Energy
 Conservation Rebates and Incentives Fund

Subject: Approve an ordinance amending the Fiscal Year 2011-2012 Austin Energy Operating Budget of Ordinance No. 20110912-005 to decrease the Austin Energy Operating Fund Ending Balance by \$1,630,000 and increase the transfer to the Conservation Rebates and Incentives Fund by \$1,630,000, and amend the Conservation Rebates and Incentives Fund to increase the transfer from the Austin Energy Operating Fund by \$1,630,000.

CURRENT YEAR IMPACT:

	2011-12 Approved	This Action	2011-12 Amended
Beginning Balance	483,863	0	483,863
Transfers In Austin Energy	15,441,458	1,630,000	17,071,458
Transfers In Austin Water Utility	2,428,000	0	2,428,000
Total Available Funds	17,869,458	1,630,000	19,499,458
Operating Requirements			
Electric Rebates and Incentives	15,441,458	1,630,000	17,071,458
Water Conservation Rebates	2,328,000	0	2,328,000
Total Transfers Out	100,000	0	100,000
Total Other Requirements	0	0	0
Total Operating Requirements	17,869,458	1,630,000	19,499,458
Excess (Deficiency) of Total Available Over Total Requirements	0	0	0
Ending Balance	483,863	0	483,863
Austin Energy FTEs	0.00	0.00	0.00

FIVE-YEAR IMPACT:

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Total Revenue	19,499,458	0	0	0	0
Total Program Requirements	19,499,458	0	0	0	0
Total Other Requirements	0	0	0	0	0
Net Budget Impact	0	0	0	0	0

ANALYSIS / ADDITIONAL INFORMATION: This operating budget amendment is for adding additional Conservation Rebates and Incentives fund solar rebates. The budget for the residential PV rebate program in FY2012 is \$2.7 million, out of a total approved budget for solar incentives of \$3 million. As of April 30, 2012, Austin Energy had paid \$1.9 million, or 70%, of the FY12 residential rebate budget at a level \$2.50 per installed watt of capacity. Additionally there were \$1.5 million in pending applications. AE now estimates that at the current rate of customer participation, the end-of-year budget will fall short by \$1,630,000. Austin Energy is seeking authorization to amend Ordinance No. 20110912-005, the Fiscal Year 2012 Operating Budget to increase the Conservation Rebates and Incentives Fund by transferring \$1,630,000 from the Operating Budget ending fund balance to fund this additional demand in residential solar rebates. Given the pending rate review and potential new value of solar rate, Austin Energy concludes that it would not be prevalent to institute a reduction in the rebate amount, a tool used in the past to slow demand, at least until AE has a clearer view of current market conditions.

The above five-year impact analysis illustrates the total revenue and expense projections for the Austin Energy Operating Fund Conservation Rebates and Incentives Fund.

**CITY OF AUSTIN – AUSTIN ENERGY
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 06-07-2012

SUBJECT: Approve the issuance of Letters of Intent for rebates to LENNAR HOMES for the installation of solar energy systems designed to serve 10 new construction residential homes in the Bradshaw Crossing and Colorado Crossing developments for a total amount of \$83,481.30

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2011-2011 Operating Budget of Austin Energy, Conservation Rebates and Incentives Fund.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

BOARD AND COMMISSION ACTION: Recommended by the Resource Management Commission. To be reviewed by the Electric Utility Commission on May 21, 2012.

FOR MORE INFORMATION CONTACT: Leslie Libby, Solar Program Manager, 482-5390; Fred Yebra, Director of Energy Efficiency Services, 482-5305.

Austin Energy requests authorization to issue letters of intent to LENNAR HOMES totaling \$83,481.30 for the installation of solar photovoltaic (PV) systems in the Bradshaw Crossing (78747) and Colorado Crossing (78744) housing developments. The total cost is estimated to be \$210,000 and the rebate will cover approximately 40% of the cost. The rebate level for this project is \$2,500 per kW. The solar equipment, which meets Austin Energy program requirements, includes a total of 190 solar modules rated at 185 watts and associated inverters rated at 95% efficiency. A total of 27.1 kW in demand savings is expected.

This energy improvement will save an estimated 44,664 kWh per year—enough to provide electricity to four average Austin homes for a year—and produce an estimated 45 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 689 trees or 34 acres of forest in Austin's parks or the removal of 60,215 vehicle miles or five cars from Austin roadways. This project will save 27 tons of Carbon Dioxide (CO₂); 37 pounds of Sulfur Dioxide (SO₂); 41 pounds of Nitrogen Oxide (NOX), and 29 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.

**Austin Energy
Project Fact Sheet
Lennar Homes
Residential Solar Applications**

File Number	TBD
Customer Name	Lennar Homes
Facility Address	10 new construction single family residences located in Bradshaw Crossing (78747) and Colorado Crossing (78744)
Customer Contact	Russell Adcock
Phone Number	512-531-1337
Estimated Rebate	\$83,481.30
Application Received Date	05/08/2012
Number of Modules	190
Wattage per Module (STC)	185
Inverter Efficiency	95%
Solar Contractor	TBD
Contractor Contact	TBD
Contractor Phone	TBD
Estimated Installation Cost	\$210,000
Estimated kWh Savings	44,664 kWh per year
Estimated kW Demand Savings	27.1 kW
Estimated Date of Completion	Within 120 days of project approval.
Site Information/Additional Comments	Lennar Homes began installing solar PV on new construction single family residences with council approval in 2011. This is the second phase of installations.

**CITY OF AUSTIN – AUSTIN ENERGY
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 06-07-2012

SUBJECT: Approve the issuance of a Letter of Intent for a performance-based incentive to BAE SYSTEMS for the generation of solar energy at their facility located at 6500 Tracor Lane #27 in Austin, Texas, for a total amount not to exceed \$390,000 over the 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

BOARD AND COMMISSION ACTION: Recommended by the Resource Management Commission. To be reviewed by the Electric Utility Commission on May 21, 2012.

FOR MORE INFORMATION CONTACT: Leslie Libby, Solar Program Manager, 482-5390; Fred Yebra, Director of Energy Efficiency Services, 482-5305.

Austin Energy requests authorization to issue a letter of intent for a performance based incentive (PBI) to BAE SYSTEMS for an amount not to exceed \$390,000 over the 10-year agreement for the generation of solar energy at 6500 Tracor Lane #27, Austin, TX 78725. The total cost is \$700,560 and the incentive will cover approximately 55% of the cost. The PBI level for this project is \$0.14 per kWh for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 858 solar modules rated at 240 watts and associated inverters rated at 96% efficiency. A total of 158.6 kW in demand savings is expected.

This energy improvement will save an estimated 276,542 kWh per year—enough to provide electricity to 24 average Austin homes for a year—and produce an estimated 277 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 4,266 trees or 213 acres of forest in Austin's parks or the removal of 372,829 vehicle miles or 32 cars from Austin roadways. This project will save 166 tons of Carbon Dioxide (CO₂); 231 pounds of Sulfur Dioxide (SO₂); 255 pounds of Nitrogen Oxide (NOX), and 177 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.



**Austin Energy
Project Fact Sheet
BAE Systems
Residential Solar Applications**

File Number	PBI027
Customer Name	BAE SYSTEMS
Facility Address	6500 Tracor Lane #27, 78725
Customer Contact	Walter Black
Phone Number	512-929-2028
Estimated Total Incentives	\$39,000 per year for 10-years
Application Received Date	04/09/2012
Number of Modules	858
Wattage per Module (STC)	240
Inverter Efficiency	96%
Solar Contractor	Circular Energy
Contractor Contact	Richard Estrada & Brooks McCleery
Contractor Phone	512-796-1719
Installation Cost	\$700,560
Estimated kWh Savings	276,542 kWh per year
Estimated kW Demand Savings	158.6 kW
Estimated Date of Completion	08/15/2012
Site Information/Additional Comments	BAE SYSTEMS is a multinational defense, security, and aerospace company. The solar contractor is working in cooperation with the roofer with an anticipated start date of July 9, 2012.

**CITY OF AUSTIN – AUSTIN ENERGY
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 06-07-2012

SUBJECT: Approve the issuance of a Letter of Intent for a performance-based incentive to the TEXAS PARKS AND WILDLIFE DEPARTMENT for the generation of solar energy at their facility located at 4200 Smith School Road in Austin, Texas, for a total amount not to exceed \$170,000 over the 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy, Conservation Rebates and Incentives Fund. Funding for the remaining nine years of the agreement is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

BOARD AND COMMISSION ACTION: Recommended by the Resource Management Commission. To be reviewed by the Electric Utility Commission on May 21, 2012.

FOR MORE INFORMATION CONTACT: Leslie Libby, Solar Program Manager, 482-5390; Fred Yebra, Director of Energy Efficiency Services, 482-5305.


Austin Energy requests authorization to issue a letter of intent for a performance-based incentive (PBI) to the Texas Parks and Wildlife Department for an amount not to exceed \$170,000 over the 10-year agreement for the generation of solar energy at 4200 Smith School Road, Austin, TX 78744. The total cost is \$516,648.39 and the incentive will cover approximately 33% of the cost. The PBI level for this project is \$0.14 per kWh for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 403 solar modules rated at 230 watts and associated inverters rated at 96% efficiency. A total of 71.4 kW in demand savings is expected.

This energy improvement will save an estimated 121,394 kWh per year—enough to provide electricity to 11 average Austin homes for a year—and produce an estimated 121 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 1,873 trees or 94 acres of forest in Austin's parks or the removal of 163,661 vehicle miles or 14 cars from Austin roadways. This project will save 73 tons of Carbon Dioxide (CO₂); 101 pounds of Sulfur Dioxide (SO₂); 112 pounds of Nitrogen Oxide (NOX), and 78 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.



**Austin Energy
Project Fact Sheet
TPWD
Residential Solar Applications**

File Number	PBI016
Customer Name	TEXAS PARKS AND WILDLIFE DEPARTMENT
Facility Address	4200 SMITH SCHOOL ROAD, AUSTIN, TX 78744
Customer Contact	Andee Chamberlain
Phone Number	512-389-8652
Estimated Total Incentives	\$17,000 per year for 10-years
Application Received Date	04/09/2012
Number of Modules	403
Wattage per Module (STC)	230
Inverter Efficiency	96%
Solar Contractor	Meridian Solar
Contractor Contact	Alex Tynberg
Contractor Phone	512-448-0045
Installation Cost	\$516,648.39
Estimated kWh Savings	121,394 kWh per year
Estimated kW Demand Savings	71.4 kW
Date of Completion	03/09/2011
Site Information/Additional Comments	Texas Parks and Wildlife Department's Headquarters. This project received a letter of intent for 20kW, or 28% of the array's metered production. The program cap was raised from 20kW to 200kW

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Recommendation for Council Action				
Austin City Council	Item ID	15635	Agenda Number	<ITEM_OUTLINE>
Meeting Date:	5/24/2012		Department:	Austin Energy
Subject				
<p>Approve issuance of a rebate to Greystar Real Estate Partners, LLC, for performing energy efficiency improvements at Monterone at Steiner Ranch Apartments in an amount not to exceed \$129,711.</p>				
Amount and Source of Funding				
<p>Funding is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy, Conservation Rebates and Incentive Fund.</p>				
Fiscal Note				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
Purchasing Language:				
Prior Council Action:				
For More Information:	Fred Yebra, P.E., Director, Energy Efficiency Services, at 482-5305 or Stephen Leinweber, Manager, Energy Efficiency Services, at 322-6056.			
Boards and Commission Action:	Recommended by the Resource Management Commission. To be reviewed by the Electric Utility Commission on May 21, 2012.			
MBE / WBE:				
Related Items:				
Additional Backup Information				
<p>Austin Energy requests authorization to issue a rebate to Greystar Real Estate Partners, LLC, in an amount not to exceed \$129,711, for the installation of solar screens at Monterone at Steiner Ranch Apartments in accordance with the City of Austin's Multi-Family Rebate Program guidelines. This program is one element of Austin Energy's comprehensive Resource, Generation, and Climate Protection Plan to 2020 approved by City Council in April 2010. The program is designed to reduce local air pollution through energy conservation, reduce peak demand, and assist customers in reducing electric consumption.</p> <p>Monterone at Steiner Ranch is located at 4500 Steiner Ranch Blvd., Austin, Texas 78732. The property comprises 36 buildings containing 502 apartment units, with 754,770 square feet of conditioned space. The demand (kW) savings associated with this energy efficiency solar screen project is estimated at 208.26 kW, at a program cost of \$623 per kW saved. The avoided kilowatt hours (kWh), estimated at 312,394 kWh per year, represents a major benefit to the local environment. This project will prevent the following air pollutants from being emitted: 187.6 metric tons of Carbon Dioxide (CO₂), 0.131 metric tons of Nitrogen Oxides (NO_x), and 0.118 metric tons of Sulfur Dioxide (SO₂).</p>				

In addition to the reduced air and toxic pollution, the project savings are equivalent to an estimated 421,164 vehicle miles traveled, the removal of 35.9 cars from our roadways, or the planting of 4,819 trees or 241 acres of forest in Austin's parks.

RCA PROJECT FACT SHEET

Customer Name:	Monterone at Steiner Ranch <i>Property Owner: Amaravathi Limited Partnership</i> <i>Property Management Company: Greystar</i>
File Number:	1406
Facility Address:	4500 Steiner Ranch Blvd., Austin, TX 78732
Customer Contact:	Sunshine Polanco
Estimated Rebate:	Not to exceed \$129,711
Equipment Installed:	Solar Screens
Demand Savings:	208.26 kW – estimated
KWh Savings:	312,394 kWh - estimated
Cost per kW:	\$ 623
Estimated Project Cost:	\$237,391 · <i>The rebate cost for Solar Screens equals approximately 55% of the contractor's total costs to provide this service.</i> · <i>This energy efficiency improvement qualifies at rebate levels of \$1.50 per square foot of installed screens in compliance with the ECAD Ordinance.</i>
Estimated Completion Date:	No later than three (3) months after issuance of LOI.
Site Information:	Monterone at Steiner Ranch, 4500 Steiner Ranch Blvd., Austin, TX 78732.
Comments:	Monterone at Steiner Ranch is located at 4500 Steiner Ranch Blvd. in Austin, Texas. The property comprises thirty-six (36) buildings containing 502 apartment units, with 754,770 square feet of conditioned space.

**CITY OF AUSTIN – PURCHASING DEPT.
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME: POWER SYSTEMS MFG., LLC.**

AGENDA DATE: 06/14/2012

SUBJECT: Approve ratification of Amendment No. 1 to the contract with POWER SYSTEMS MFG., LLC., Jupiter, FL, for a long term maintenance agreement for the gas turbine and generator unit #5 at Austin Energy's Sand Hill Energy Center, to increase the contract authorization in an estimated amount not to exceed \$9,000,000, for a revised total contract amount not to exceed \$31,937,248.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

PRIOR COUNCIL ACTION: July 28, 2011 – Approved 84-month contract.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on 05/21/2012.

PURCHASING: Critical Business Need.

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.

FOR MORE INFORMATION CONTACT: Gage Loots, Buyer II/322-6118

This contract was awarded in August 2011 as a competitive procurement for a long term maintenance contract and remote monitoring for the 7FA+e gas turbine and associated generator on the combined cycle unit at Austin Energy's Sand Hill Energy Center. The 7FA+e is a General Electric industrial gas turbine which requires regular maintenance throughout engine life to ensure reliability and equipment safety. This contract covers required planned maintenance for the gas turbine and the associated generator including disassembly, installation, inspection, repair of major parts, and replacement of major parts which have reached the end of service life. It also includes corrective maintenance as required for all components of the combined cycle unit and facilitates Austin Energy's access to parts and services to minimize forced outage duration.

A planned inspection identified that a portion of one of the stationary gas turbine compressor vanes had broken off during operation causing damage to downstream components. The current estimate for repairs is \$8,729,020, however, the unit is still undergoing final repairs and reassembly and the final cost is not yet known. The estimated time to complete the repairs was six weeks; therefore it was necessary to take immediate action to return the unit to service in time for the summer peak season and that is on track. Until Unit #5 is repaired, Austin Energy is

without approximately 307 megawatts of its most efficient and lowest emissions gas-fired generation. In order to ensure adequate funding to complete repairs, Austin Energy declared this a critical business need and Amendment No. 1 was issued to increase the contract authorization by \$9,000,000. This amendment will ensure funding for the remaining 74 months of the contract period.

The repair costs associated with the failure are expected to be covered by insurance less the deductible of \$1 million.


Contract Summary

Action	Description	Amount
Original Contract awarded 08/22/2011	Original 84-month contract	\$22,937,248
Amendment No. 1	Increase to contract per Critical Business Need.	\$9,000,000
Total Revised Contract Amount		\$31,937,248

**MEMORANDUM**

TO: Mayor and Council Members

CC: Marc A. Ott, City Manager

FROM: Larry Weis, General Manager, Austin Energy 

DATE: April 11, 2012

SUBJECT: Critical Business Need for repair of Combined Cycle Unit at Sand Hill





ACTION:

As detailed below, and in accordance with City Council-approved purchasing procedures, I am designating as a Critical Business Need of Austin Energy (AE), an amendment to the gas turbine maintenance contract with Power Systems Manufacturing for the immediate repair of the 7FA+e industrial gas turbine at Sand Hill Energy Center (SHEC). This gas turbine is part of the combined cycle unit at SHEC. A preliminary estimate for repairs is approximately \$8,626,019; however, the unit is still undergoing inspections, so an exact cost is not yet known. In order to ensure adequate funding to complete repairs, I am requesting \$9,000,000 in spending authority be added to the maintenance contract. Without this combined cycle unit, Austin Energy is without 307 megawatts of its most efficient and lowest emissions gas-fired generation.

BACKGROUND:

The 7FA+e is a General Electric industrial gas turbine. During a planned inspection, it was discovered that a portion of one of the stationary gas turbine compressor vanes had broken off during operation causing damage to downstream components. Repairs will take four to six weeks and must be initiated immediately to return the unit to service in time for the summer peak season. The damage caused by this component failure will be covered by insurance less the \$1,000,000 deductible.

Austin Energy plans to bring this item forward for ratification by City Council in the next several weeks. Please let me know if you have any questions. I can be reached at 322-6002.

<div style="text-align: center;"> A U S T I N C I T Y C O U N C I L AGENDA </div> <div style="display: flex; justify-content: space-around;">     </div>				
Recommendation for Council Action (Purchasing)				
Austin City Council	Item ID:		Agenda Number	<ITEM_OUTLINE>
Meeting Date:	May 24, 2012			
Department:	Purchasing			
Subject				
<p>Authorize award, negotiation, and execution of a 60-month requirements supply agreement with ALTEC INDUSTRIES, INC. for the Phase I lease of truck-mounted aerial devices and digger derricks for Austin Energy in an estimated amount not to exceed \$4,253,490, with the option to enter into agreements for Phases II and III in an estimated amount not to exceed \$3,310,455 and \$3,169,785 respectively, for a total estimated contract amount not to exceed \$10,733,730.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$850,698 is available in the Fiscal year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining months of the contract, including additional phases, is contingent upon available funding in future budgets.</p>				
Fiscal Note				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
Purchasing Language:	Best evaluated proposal received.			
Prior Council Action:				
For More Information:	Gabriel Guerrero, Buyer II/322-6060			
Boards and Commission Action:	To be reviewed by the Electric Utility Commission on May 21, 2012.			
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.			
Related Items:				
Additional Backup Information				

This contract will provide Austin Energy (AE) with a 60-month lease of the following required equipment: one 100 ft. aerial device in the initial order (Phase I); one 55 ft. material handler aerial device with elevator; one 50 ft. material handler aerial device; twelve 36 ft. material handler aerial devices; one 45 ft. sheave height digger derrick; one 2-ton underground service body; one 35 ft. aerial man lift, and one knuckle boom crane.

This equipment is required for the construction and maintenance of AE's transmission and distribution system. The equipment will replace items that have exceeded their useful lifespan and have become excessively expensive to maintain, and equipment currently leased under an expiring contract.

This equipment will be ordered, delivered, and put into service in three phases based on budget availability, equipment life, AE requirements, and the results of a lease-versus-buy analysis. This equipment is custom made resulting in a lead time of eight to ten months from the time the order is placed. The contract will be for a term of 60 months from the receipt of each piece of equipment.

To drastically reduce equipment down time, the contract includes all regular maintenance as well as loaner equipment should leased equipment be unavailable for more than a week. The contract authorization includes additional funding for any non-warranty repairs such as broken mirrors, windshields, lights, brackets and covers. At the end of the contract, the equipment will be returned to the vendor.

The aerial devices included in this contract are mounted on truck chassis equipped with diesel-powered engines capable of operating on B-20 Biodiesel.

A City of Austin team with expertise in this area evaluated the proposals and unanimously chose this proposal as the best to provide these goods. Evaluation criteria evaluated included lease term, conformance to technical specifications, maintenance program, delivery schedule, and total evaluated cost.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

PROPOSAL ANALYSIS

- a. Adequate competition.
- b. Forty-nine notices were sent. There are no known MBE/WBEs available for this commodity code. Two proposals were received.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal received. Altec Industries Inc. is the current provider of these goods.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

Evaluation Category	Max. Points	Altec Industries, Inc. Saint Joseph, MO	Terex Utilities Inc. San Antonio, Texas
Total Evaluated Cost (Proposer with lowest cost to City will be given maximum points, remaining given on a percentage ratio basis)	35	35	*
Lease terms for equipment and conformation to technical specifications	30	23	*
Maintenance program (Terms of service to be provided for scheduled and unscheduled repairs and warranty coverage)	30	22	*
Delivery Schedule	5	3	*
Total	100	83	*

* Contractor was not willing to extend the proposal offer date through Council approval date

NOTE: As per Section 252.049 of the local government code, contents of a proposal shall remain confidential until a contract is awarded or as directed by the Texas Attorney General's Office. Therefore, the matrix will include points awarded for price but exact pricing will not be disclosed.

**CITY OF AUSTIN – PURCHASING DEPT.
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME: H. BROWN MACHINE SHOP, INC.**

AGENDA DATE: 06/28/2012

SUBJECT: Authorize award and execution of a 24-month requirements service contract with H. BROWN MACHINE SHOP, INC., Eunice, LA, for the purchase of heavy hauling services to transport electric utility equipment for Austin Energy, in an estimated amount not to exceed \$1,864,000 with three 12-month extension options in an estimated amount not to exceed \$932,000 per extension option, for a total estimated contract amount not to exceed \$4,660,000.

AMOUNT AND SOURCE OF FUNDING: Funding in the amount of \$233,000 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining 21 months of the original contract period and extension options is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

FOR MORE INFORMATION CONTACT: Gage Loots, Buyer II/512-322-6118

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 21, 2012.

PURCHASING: Sole bid received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-C 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.

This contract will provide heavy equipment hauling services for Austin Energy (AE) to be purchased on an as-needed basis. The contractor shall provide all supervision, labor, trucks, materials and traffic security services required to safely transport AE's heavy equipment. The contractor will also provide all necessary lifting and jacking equipment to safely lift, load and unload equipment at locations designated by AE. The equipment to be transported under this contract ranges in weight from 40,000 to 600,000 pounds and includes power transformers, switchgear, power poles and mobile substations.

MBE/WBE solicited: 22/7

MBE/WBE bid: 0/0

BID TABULATION

IFB No. GAL0036

Heavy Hauling Services
(25 line items)**Vendor****Total Bid Amount – 12 months****H. Brown Machine Shop, Inc.
Eunice, LA****\$932,000.00**

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Sole bid. Additional contractors were contacted in an effort to obtain additional bids without success. This is an extremely specialized service with specialized labor, experience, and insurance requirements because of the types of items being transported.
- b. Three-hundred four notices were sent, including twenty-two MBEs and seven WBEs. One bid was received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 24.88% increase to the last contract award made December 2008. This increase is due to higher fuel costs as supported by the Producer Price Index (PPI) for diesel fuel; which has increased by 204.14% since the previous contract was awarded.

APPROVAL JUSTIFICATION

- a. Sole bid. H. Brown Machine Shop, Inc. is the current provider of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

**CITY OF AUSTIN – PURCHASING DEPT.
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 6/14/2012

VENDOR NAME: TECHLINE, POWER SUPPLY, KBS ELECTRICAL DISTR.

SUBJECT: Authorize award and execution of three 24-month requirements supply agreements for the purchase of street light poles and pole parts for Austin Energy with: TECHLINE INC. in an estimated amount not to exceed \$761,049, with three 12-month extension options in an estimated amount not to exceed \$380,525 per extension option, for a total estimated contract amount not to exceed \$1,902,623; POWER SUPPLY, INC. in an estimated amount not to exceed \$47,854, with three 12-month extension options in an amount not to exceed \$23,927 per extension option, for a total estimated contract amount not to exceed \$119,635; and with KBS ELECTRICAL DISTRIBUTORS, INC. in an estimated amount not to exceed \$33,176, with three 12-month extension options in an amount not to exceed \$16,588 per extension option, for a total estimated contract amount not to exceed \$82,940. The annual amount for all street light poles and pole parts required under these agreements will be for a total estimated amount not to exceed \$421,040 each and combined.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$140,347 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining 20 months of the original contract period and extension options is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

PURCHASING: Lowest bids of four bids received.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 21, 2012.

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.

FOR MORE INFORMATION CONTACT: Gabriel Guerrero, Buyer II/322-6060

These contracts with Techline Inc., Power Supply, Inc. and KBS Electrical Distributors Inc., all located in Austin, Texas, will provide streetlight poles and pole parts on an as-needed basis for Austin Energy. Items on this contract include galvanized and painted poles, pole arms, pole bases and foundations. These poles and parts will be used to replenish stock at Austin Energy's Kramer and St. Elmo warehouses for immediate issue to illumination construction and maintenance crews for general maintenance and construction on an as-needed basis. These items will enable Austin Energy to provide lighting throughout the service area.

MBE/WBE Solicited: 0/1

MBE/WBE Bid: 0/0

BID TABULATION

IFB No. GGU0104
 Streetlight poles and pole parts
 (21 Line Items)

<u>VENDOR</u>	<u>Number of Line Items Bid</u>	<u>Number of Line Items Awarded</u>	<u>Total Annual Award</u>
Techline Inc. Austin, TX	21	15	\$380,525
Power Supply Inc. Austin, TX	21	4	\$23,927
KBS Elec. Dist. Inc. Austin, TX	7	2	\$16,588
Power-Lite Industries Inc. Montreal, QC	2	0	\$0

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Adequate competition.
- b. Ninety-six notices were sent, including one WBE. There are no known MBE's for this commodity code. Four bids were received, with no response from the WBE.
- c. The pricing offered represents a 2.21% unit price decrease from the last contracts awarded in December 2007.

APPROVAL JUSTIFICATION

- a. Lowest bids received. Techline Inc., Power Supply, Inc. and KBS Electrical Distributors, Inc. are the current provider for these items.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

**CITY OF AUSTIN – PURCHASING DEPT.
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME: PRIESTER-MELL & NICHOLSON INC.**

AGENDA DATE: 6/14/2012

SUBJECT: Authorize award and execution of a contract with PRIESTER-MELL & NICHOLSON INC for the purchase of SF6 pad-mounted automatic transfer switchgear for Austin Energy in an amount not to exceed \$369,000.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

PURCHASING: Lowest bid of two bids received.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 21, 2012

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.

FOR MORE INFORMATION CONTACT: Gabriel Guerrero, Buyer II/322-6060

This contract is for the purchase of three SF6 pad-mounted automatic transfer switchgear. A switchgear is a system of controls and circuit breakers enclosed in a single housing that provides multiple circuit paths for distributing power to the end customer. It is usually connected to a power transformer and supplies separate distribution circuits. It includes controls for the breakers, protection systems for transformers, breakers, and distribution circuits, as well as metering capability. SF6 switchgear has a gas insulating medium which results in a much smaller unit in comparison to air insulated switchgear. SF6 switchgear safely provides a quicker relay response and interruption if a fault is indicated. This quicker and safer response provides for better power system reliability. Two units will replace the manual switchgear located at the new System Control Center and the third will be in inventory until needed.

MBE/WBE Solicited: 0/0

MBE/WBE Bid: 0/0

BID TABULATION

IFB No. GGU0106

SF6 pad-mounted switchgear
(Quantity of 3)

<u>VENDOR</u>	<u>Price/Unit</u>	<u>Total</u>
Priester-Mell & Nicholson Inc. Austin, TX	\$123,000	\$369,000
KBS Electrical Distributors Inc. Austin, TX	\$127,250	\$381,750

PRICE ANALYSIS

- a. Adequate competition.
- b. Fifty-three notices were sent. There are no known MBE/WBEs for this commodity code. Two bids were received.
- c. This is the first purchase of its type; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- a. Lowest bid.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

**CITY OF AUSTIN – PURCHASING DEPT
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME: PENNSYLVANIA BREAKER, LLC.**

AGENDA DATE: 06/14/2012

SUBJECT: Authorize award and execution of a 24-month requirements supply contract with PENNSYLVANIA BREAKER, LLC, for the purchase of 145kV Dead Tank Circuit Breakers for use at Austin Energy substations, in an estimated amount not to exceed \$1,597,800, with three 12-month extension options in an estimated amount not to exceed \$798,900 per extension option, for a total estimated contract amount not to exceed \$3,994,500.

AMOUNT AND SOURCE OF FUNDING: Funding in the amount of \$199,725 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining twenty-one months of the original contract period and extension options is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

FOR MORE INFORMATION CONTACT: Gage Loots, Buyer II/512-322-6118

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 21, 2012.

PURCHASING: Lowest bid of six bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-D 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.

This contract will provide Austin Energy (AE) with 145kV 40kA short circuit interrupt rating dead tank circuit breakers to be purchased on an as-needed basis. Circuit breakers are devices that can be opened to de-energize the transmission line or substation bus during construction, maintenance or fault conditions. As the primary protection mechanism, these devices are opened during fault conditions in order to limit the damaging effects of high current on substation equipment. In the event the breaker cannot clear the fault, secondary protection mechanisms are activated, however, in that case, there is greater risk for a larger outage. Therefore, these circuit breakers are a critical element of a substation and overall electric service reliability. AE will install the breakers at various substations as upgrades to existing equipment or as new installations.

MBE/WBE solicited: 2/3

MBE/WBE bid: 0/0

BID TABULATION

IFB No. GAL0033

145kV Dead Tank Circuit Breakers
(6 – line items)

<u>Vendor</u>	<u>Total Bid Amount – 12 months*</u>
Pennsylvania Breaker, LLC. Canonsburg, PA	\$798,900.00
ABB, Inc. Mount Pleasant, PA	\$829,125.00
HVB AE Power Systems, Inc. Suwanee, GA	\$947,592.00
Stuart C. Irby Co. Austin, TX	\$1,122,824.00
ALSTOM Grid, Inc. Charleroi, PA	**
Siemens Energy, Inc. Richland, MS	**

* This total bid amount is for line items 2.1, 2.2, 2.3, 3, 4 & 5. The City has chosen not to award the remaining three line items due to bids being much higher than budgeted so the specifications are being re-evaluated and will be rebid at a later date.

** Non-responsive due to exceptions to the City's commercial terms & conditions.

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- Adequate competition.
- One hundred seventeen notices were sent, including two MBEs and three WBEs. Six bids were received, with no response from the MBE/WBEs.
- The pricing offered represents a 2.1% decrease to the last contract award made October 2007.

APPROVAL JUSTIFICATION

- Lowest bid. Pennsylvania Breaker, LLC. is not the current provider of these goods.
- The Purchasing Office concurs with Austin Energy's recommended award.
- Advertised on the Internet.

**CITY OF AUSTIN – PURCHASING DEPT.
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME: TBEA USA CORPORATION**

AGENDA DATE: 06/14/2012

SUBJECT: Authorize award and execution of a supply contract with TBEA USA CORPORATION for the purchase of 362kV capacitive coupled voltage transformers for Austin Energy in an amount not to exceed \$132,324.

AMOUNT AND SOURCE OF FUNDING: Funding is available in the Fiscal Year 2011-2012 Capital Budget of Austin Energy.

FISCAL NOTE: A fiscal note is required.

FOR MORE INFORMATION CONTACT: Gage Loots, Buyer II/512-322-6118

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 21, 2012.

PURCHASING: Lowest bid of seven bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-D 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.

This contract is for the one-time purchase of twelve capacitive coupled voltage transformers (CCVTs) for Austin Energy. CCVTs convert larger transmission voltages to lower voltages so that protective relays and other control devices can function properly. CCVTs provide an excellent reproduction of both transient and steady-state voltage measurements necessary to operate control and protection equipment.

These CCVTs will be installed at the newly developed Dunlap Substation, located approximately 1.5 miles north of the intersection of Taylor Lane and FM 969 (Webberville Road) which has a project schedule that necessitated a 120 day delivery required in the solicitation.

MBE/WBE solicited: 3/1

MBE/WBE bid: 0/0

BID TABULATION

IFB No. GAL0037

362kV Capacitive Coupled Voltage Transformers
(1 line item, qty. 12)

<u>Vendor</u>	<u>Unit Price</u>	<u>Total Bid Amount</u>
TBEA USA Corporation Pasadena, CA	\$11,027.00	\$132,324.00
National Electrical Systems, Inc. Boonville, NY	\$15,680.00	\$188,160.00
Power Supply, Inc. Austin, TX	\$16,450.00	\$197,400.00
Apfelbaum Industrial, Inc. El Paso, TX	*	*
ALSTOM Grid, Inc. Waynesboro, GA	*	*
MVA Power, Inc. Montreal, Quebec, Canada	*	*
Priester-Mell & Nicholson Austin, TX	*	*

* Non-responsive. Failure to meet the delivery schedule stated in the solicitation and required for this project.

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- Adequate competition.
- One hundred twenty-three notices were sent including three MBEs and one WBE. Seven bids were received, with no response from the MBE/WBEs.
- This is the first purchase of its type; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- Lowest bid received.
- The Purchasing Office concurs with Austin Energy's recommended award.
- Advertised on the Internet.

**CITY OF AUSTIN – PURCHASING DEPT.
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 06/14/2012

VENDOR NAME: POWER SUPPLY, TECHLINE, KBS ELEC DIST, PRIESTER-MELL & NICHOLSON

SUBJECT: Authorize award and execution of four 24-month requirements supply agreements for the purchase of luminaires, floodlights, and associated parts for Austin Energy with: POWER SUPPLY in an estimated amount not to exceed \$10,562,358, with three 12-month extension options in an estimated amount not to exceed \$5,281,179 per extension option, for a total estimated contract amount not to exceed \$26,405,895; with TECHLINE INC. in an estimated amount not to exceed \$4,474,196, with three 12-month extension options in an estimated amount not to exceed \$2,237,098 per extension option, for a total estimated contract amount not to exceed \$11,185,490; with KBS ELECTRICAL DISTRIBUTORS INC. in an estimated amount not to exceed \$40,950, with three 12-month extension options in an estimated amount not to exceed \$20,475 per extension option, for a total estimated contract amount not to exceed \$102,375; and with PRIESTER-MELL & NICHOLSON, in an estimated amount not to exceed \$32,952, with three 12-month extension options in an estimated amount not to exceed \$16,476 per extension option, for a total estimated contract amount not to exceed \$82,380. The annual amount for all luminaires, floodlights, and associated parts required under these agreements will be for a total estimated amount not to exceed \$7,555,228 each and combined.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$2,518,409 is available in the Fiscal Year 2011-2012 Capital Budget of Austin Energy. Funding for the remaining 20 months of the original contract period and extension options is contingent upon available funding in future budgets.

FISCAL NOTE: A fiscal note is required.

PURCHASING: Lowest bids of six bids received.

BOARD AND COMMISSION ACTION: to be reviewed by the Electric Utility Commission on May 21, 2012

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.

FOR MORE INFORMATION CONTACT: Gabriel Guerrero, Buyer II/322-6060

These contracts with Power Supply, Techline Inc., KBS Electrical Distributors Inc., and Priester-Mell & Nicholson, all located in Austin, Texas, will provide luminaires, floodlights, and associated parts to replenish stock at Austin Energy's Kramer and St. Elmo warehouses. These contracts will allow for immediate issue to illumination crews for general maintenance and construction on an as-needed basis. These items will enable Austin Energy to provide lighting throughout the service area.

In 2006, City Council adopted Subchapter E: Design Standards and Mixed Use, a section of Chapter 25-2 of the City Code. It became effective in January 2007 and required that new outdoor lighting applications be illuminated by fixtures that were both fully-shielded and full cut-off with the goal of preserving the night sky. Subchapter E also required that existing lighting be “Dark Sky” compliant by January 1, 2015. To meet this requirement, Austin Energy is replacing approximately 35,000 of the 70,000 existing street light fixtures. Austin Energy will use light-emitting diode (LED) fixtures purchased under this contract for the Dark Sky Project as well as for other new lighting projects.

MBE/WBE Solicited: 0/1

MBE/WBE Bid: 0/0

BID TABULATION

IFB No. GGU0105

Luminaires, Floodlights and Associated Parts (25 Line Items)

<u>VENDOR</u>	<u>Number of Line Items Bid</u>	<u>Number of Line Items Awarded</u>	<u>Total Annual Award</u>
Power Supply Austin, TX	25	5	\$5,281,178.75
Techline Inc. Austin, TX	22	17	\$2,237,097.75
KBS Elec. Dist. Inc. Austin, TX	20	1	\$20,475.00
Priester-Mell & Nicholson Austin, TX	19	2	\$16,476.00
Imperia Int'l LLC Mt. Arlington, NJ	16	0	\$0.00
Hill Country Electric Supply Austin, TX	2	0	\$0.00

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- Adequate competition.
- One hundred and eleven notices were sent, including one WBE. There are no known MBEs for this commodity code. Six bids were received, with no response from the WBE.
- The pricing offered represents a 17% increase to the last contracts award in March 2008. This increase is in-line with the producer price index for this commodity.

APPROVAL JUSTIFICATION

- Lowest bids. Power Supply, Techline, and Priester-Mell & Nicholson are the current suppliers of these products.
- The Purchasing Office concurs with Austin Energy's recommended award.
- Advertised on the Internet.

**CITY OF AUSTIN – PURCHASING DEPT.
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 06/07/12

**VENDOR NAME: ROCKFORD BUSINESS INTERIORS, AUSTIN BUSINESS
FURNITURE, OFFICE SOURCE LTD., AND GRAINGER INC.**

SUBJECT: Authorize award and execution of four contracts for the purchase and installation of furnishings and fixtures for Austin Energy's new System Control Center through the TEXAS MULTIPLE AWARD SCHEDULE (TXMAS) cooperative purchasing program with: ROCKFORD BUSINESS INTERIORS in an estimated amount not to exceed \$1,420,038; AUSTIN BUSINESS FURNITURE in an estimated amount not to exceed \$1,198,370; and OFFICE SOURCE LTD. in an estimated amount not to exceed \$34,386 and through the Cooperative Purchasing Network (TCPN) with GRAINGER, INC. in an estimated amount not to exceed \$29,775 for a total estimated amount not to exceed \$2,682,569 each and combined.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2011-2012 Capital Budget of Austin Energy.

FISCAL NOTE: A fiscal note is required.

PURCHASING: Cooperative Purchase

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 21, 2012.

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.

FOR MORE INFORMATION CONTACT: Shawn Willett, Supervising Sr. Buyer / 505-7351

In October 2005, the City Manager was directed by City Council to relocate the existing Energy Control Center (ECC) from its West Avenue location so that the property could be incorporated into the Seaholm and downtown redevelopment efforts. In July 2007, City Council approved the purchase of an existing building and surrounding 12 acres from Tokyo Electron, located at 2500 Montopolis Drive, with the objective of using this property for the control center relocation project. This new facility, the System Control Center (SCC), will house current ECC employees as well as several other compatible workgroups within Austin Energy.

When the renovation is complete, the existing building will have increased in size from 120,000 to 174,000 square feet. Also, a new 18,000 square foot building will be built to house Austin Energy's Distribution System Restoration and Maintenance Group and provide a sheltered area for bucket trucks. These facilities will provide the City of Austin and Austin Energy with state of the art control and data centers required to meet North American Reliability Corporation

(NERC) standards. It will also meet current standards for physical security appropriate to the electric industry and provide the space required to support advancement of the Smart Grid.

This proposed action is requesting approval of contracts with Rockford Business Interiors, Austin, TX; Austin Business Furniture, Austin, TX; Office Source Ltd., San Antonio, TX; and Grainger Inc., Austin TX, for the purchase of furnishings, fixtures, and cubicles for the new SCC. This purchase includes items needed to furnish the building including freestanding office furniture for offices, break rooms and conference rooms, laboratory equipment and shelving, modular pieces necessary for the fabrication of cubicles throughout the building, and outside furniture. Austin Energy staff coordinated a lengthy process to ensure these items fall within the specifications of the design plan developed by the firm contracted for the design of the building.

The SCC project is targeting a LEED silver certification for design and construction and supports Austin Energy's commitment to renewable energy as stated in the 2003 Strategic Plan and the 2007 Austin Climate Protection Plan.

These cooperative purchasing programs have been competitively bid, negotiated, and offer deep discounts of up to 62% off list prices for these contract items.