

A G E N D A



Recommendation for Council Action (CMD)

Austin City Council

Item ID:

45423

Agenda Number

11.

Meeting Date:

June 4, 2015

Department:

Contract Management

Subject

Authorize negotiation and execution of a professional services agreement with ENERGY ENGINEERING ASSOC., INC dba EEA CONSULTING ENGINEERS (staff recommendation) or one of the other qualified responders to RFQ Solicitation No. CLMP165A, to provide engineering services for an additional downtown district cooling plant in an amount not to exceed \$4,000,000.

Amount and Source of Funding

Funding is available in the Fiscal Year 2014-2015 Capital Budget of Austin Energy.

Fiscal Note

A fiscal note is attached

Purchasing Language:

Staff recommendation is the most qualified firm out of seven firms evaluated through the City's qualification-based selection process.

Prior Council Action:



For More Information:

Todd Shaw, 512-322-6267; Rolando Fernandez, 512-974-7749; Elizabeth Godfrey-Weidig, 512-974-7141

Boards and Commission Action:

May 18, 2015 - Approved by the Electric Utility Commission on a 6-0 vote with Commissioner Herbert absent.

Related Items:



MBE / WBE:

This contract will be awarded in compliance with City Code Chapter 2-9B Minority Owned and Women Owned Business Enterprise Procurement Program by meeting the goals with 16.00% MBE and 16.00% WBE participation.

Additional Backup Information

This is a request for the design services for a third chilled water plant in the downtown area to meet the growing demand for chilled water services in developments such as hotels, condominiums and office buildings with large air conditioning requirements. The design of the new plant will likely include chillers, cooling towers and associated infrastructure and appurtenances to provide 5,000 – 10,000 tons of additional chilled water capacity. The plant, proposed for the Crescent tract between West 2nd and 3rd Streets, will be operated in conjunction with two existing chilled water plants, the Paul Robbins District Cooling Plant at 300 San Antonio St. and District Cooling Plant # 2 at 410 Sabine Street. The plants are hydraulically connected through a network of underground chilled water piping.

In June 2012, City Council approved the transfer of ownership of the Crescent property to Austin Energy as a possible location for a third chilled water plant downtown. This 0.596 acre tract is located between West 2nd and 3rd Streets immediately southwest of the railroad track, behind the Gables Park Tower. In January 2014, Council approved the rezoning of this property to P (Public) and received information regarding the placement of a temporary chiller on the property to provide service to the Seaholm Development District and the new Central Library.

Austin Energy's On-Site Energy Resources Division maintains and operates district energy stations and chiller plants, and provides oversight of the construction of new facilities. These stations transform electrical energy into thermal energy which is then distributed, via a network of underground pipes, to external customers in the form of chilled water and steam services. Austin Energy owns and operates three district energy systems serving the Downtown Central Business District, the Domain, and Mueller. It currently has 63 customers—nearly 17 million square feet of space—connected to its district energy systems including residential towers, office buildings, hotels, the Austin Convention Center, and City Hall.

The benefits of district energy to chilled water customers include reduced construction/capital costs, extraordinary reliability and simple, low risk operations. In Austin's geographic region, 40-45% of the electricity consumed by a typical commercial building goes to powering its air conditioning system. The benefits to Austin Energy and the City of Austin include having a valuable tool for economic development, providing new revenue from long term service agreements, and advancement of environmental stewardship. All of Austin Energy's electric rate payers benefit from reduced regulatory charges due to the electric demand management provided by the district cooling system.

The recommended firm will provide engineering and professional services for the preliminary design, permitting, bid/award, construction and warranty phases of the proposed chiller installation project. The design will address the hydraulic, mechanical, civil, structural, electrical, instrumentation and controls, permitting, architectural and environmental aspects of the facility. The recommended firm will also develop drawings and other visual aids to communicate the aesthetics of the plant design to nearby property owners and other stakeholders, such as City Council, Electric Utility Commission and Downtown Austin Neighborhood Alliance, who will have input on the final design. The design of the plant shall take into consideration the existing downtown chilled water operations from the Paul Robbins District Cooling Plant, District Cooling Plant # 2, and the temporary chillers on site, which cannot be negatively impacted during any phase of the permanent chiller installation project.

This request allows for the development of an agreement with the qualified responder selected by City Council. If the City is unable to negotiate a satisfactory agreement with the selected responder, negotiations will cease with this provider. Staff will return to Council so that Council may select another qualified responder and authorize contract negotiations with that provider. Participation sub-goals stated in the solicitation were 1.90% African American; 9.00% Hispanic; 4.90% Native/Asian; and 15.80% WBE. The recommended firm provided an MBE /WBE Compliance Plan which met the goals of the solicitation and was approved by the Small and Minority Business Resources Department. The alternate firm also provided an MBE /WBE Compliance Plan which met the goals of the solicitation and was approved by the Small and Minority Business Resources Department.

Notification of issuance of a Request for Qualifications solicitation was issued on December 16, 2014 through the City's Vendor Connection web portal, which resulted in 954 firms receiving notice. The solicitation was obtained by 128 firms

and 7 submitted qualification statements. One of the firms was a certified MBE /WBE firm. Of the 7 firms evaluated, 2 firms were short-listed and interviewed. Interviewing of the short-listed firms resulted in the following recommendation.

RECOMMENDED FIRM: ENERGY ENGINEERING ASSOC., INC. dba EEA CONSULTING ENGINEERS

ALTERNATE FIRM: STANLEY CONSULTANTS, INC.

EEA Consulting Engineers is located in Austin, TX.

Stanley Consultants, Inc. is located in Austin, TX.