

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council Special Called	Item ID:	47489	Agenda Number	12.
Meeting Date:	June 25, 2015			
Department:	Purchasing			
Subject				
Authorize award, negotiation and execution of 12-month contracts with McCULLOUGH HEATING & A/C, INC.; 360 ENERGY SAVERS, LLC; RAM'S WEATHERIZATION & CONSTRUCTION, LLC; 1st CHOICE ENERGY, LLC; GOOD NEIGHBOR MANAGEMENT DBA CITY CONSERVATION; ENERGY GUYS LLC; AMERICAN CONSERVATION & AIR INC.; AIRTECH ENERGY SYSTEMS, INC.; CONSERVATION SPECIALIST OF AUSTIN LLC; GREAT AMERICAN INSULATION, INC.; AMERICAN YOUTHWORKS; VALDEZ REMODELING & WEATHERIZATION, INC. (MBE); and EFFICIENT ENERGY ENTERPRISES, INC. DBA GO GREEN SQUADS (WBE), or one of the other qualified responders to Request For Proposal No. OPJ0116, for basic weatherization services in an amount not to exceed \$2,800,000 each and combined, with four 12-month extension options in an amount not to exceed \$2,800,000 each and combined, for a total contract amount not to exceed \$14,000,000 each and combined.				
Amount and Source of Funding				
Funding in the amount of \$700,000 is available in the Fiscal Year 2014-2015 Operating Budget of Austin Energy. Funding for the remaining nine months of the original contract period and extension options are contingent upon business needs and available funding in future budgets.				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:	Best evaluated proposals for basic weatherization services.			
Prior Council Action:				
For More Information:	Oralia Jones, Senior Buyer Specialist, 512-322-6594			
Boards and Commission Action:	June 15, 2015 - Recommended by the Electric Utility Commission on a 6-0 vote with Commissioner Rai absent.			

<b>MBE / WBE:</b>	This contract will be awarded in compliance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
<b>Related Items:</b>	
<b>Additional Backup Information</b>	
<p>The contract is for home energy improvements to customers with low to moderate incomes in single or multi-family homes. These improvements not only reduce energy costs, but they create a more comfortable and safe living environment. Currently, the need for weatherization services by low income customers in the Austin Energy service area far exceeds the available level of assistance. An initial audit of a home's energy performance conducted by Austin Energy will establish the priority of energy improvement measures necessary to increase the home's efficiency level. This contract allows the City to contract with multiple qualified contractors to perform the required weatherization improvements services.</p> <p>The basic weatherization services include sealing up the building structure to address air infiltration, installing attic insulation, duct repair or replacement, installing solar screens, smoke detectors, carbon monoxide detectors, high efficiency window air conditioners, compact fluorescent light or other high efficiency lighting, repairing or replacing leaking faucets and low-flow shower heads. Some of the measures will be provided through partnerships with Austin Water, the Austin Housing Repair Coalition and Texas Gas Service Company. Additional community outreach will be optimized by partnering with non-profit organizations to align services for Austin Energy customers, as needed. It is anticipated that homes may receive weatherization services at a cost not to exceed \$5,500 per residence with this value reduced for multi-family homes.</p> <p>The contractors selected as a group have over 40 bilingual Spanish-speaking staff. Currently, Austin Energy weatherization contractors are required to provide this service, but some have relied on Austin Energy staff to communicate with customers.</p> <p>Together, these contractors have weatherized over 12,000 single-family homes and 15,500 multi-family apartments. They have required licenses, certificates, and provide on-going staff training for delivering quality services to the customers.</p> <p>An evaluation team with expertise in this area evaluated the proposals and rated these proposals as the best to provide these services. Evaluation criteria used to evaluate the proposals included price, demonstrated applicable experience, personnel qualifications, equipment and local business presence. The solicitation allows for award to multiple proposers.</p> <p>The request allows for the development of contracts with the qualified offerors selected by Council. If the City is unsuccessful in negotiating satisfactory contracts with the selected offerors, negotiations will cease and staff will return to Council so other qualified offeror(s) may be selected, authorizing new contract negotiations.</p> <p>The current contracts expire on May 15, 2015 and June 23, 2015. In order to continue providing weatherization services to Austin Energy customers, it is imperative the new contracts are awarded and be in place as soon as possible to prevent a long break in services.</p> <p>MBE/WBE solicited: 51/9</p> <p>MBE/WBE bid: 1/2</p>	
<b><u>PRICE ANALYSIS</u></b>	
a. Adequate competition.	

- b. 592 notices were sent including 51 MBEs and 9 WBEs. 15 responses were received, with two responses from MBEs and one response from a WBE.

**APPROVAL JUSTIFICATION**

- a. Best evaluated responses received.
- b. The Purchasing Office recommends contract awards consistent with the findings of the evaluation committee.
- c. Advertised on the internet.