

Council Meeting Date: April 26, 2018

Posting Language

Authorize an amendment to an existing contract with Schneider Electric Grid Automation D/B/A Telvent USA, LLC, to provide continued software, upgrades, maintenance, support, and technical services for the Advanced Distribution Management System, for an increase in the amount of \$6,817,877, and to extend the term up to six years, for a revised contract amount not to exceed \$14,057,877.

(Note: This contract was 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).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$3,851,835 is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

June 28, 2012 – Council approved original contract, item #56, on a 7-0 vote.

December 11, 2014 – Council approved amendment, item #82, on a 7-0 vote.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to the buyer, Debbie DePaul, at 512-322-6235 or Debbie.DePaul@austinenergy.com.

Council Committee, Boards and Commission Action:

April 16, 2018 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The proposed amendment is for the upgrade and continued support of the Advanced Distribution Management System (ADMS). The ADMS is a critical utility system running automatic functions that improve distribution system reliability and efficiency by managing outages and field crew assignments. The upgrades will provide added functionality to the system, allowing Austin Energy to continue enhancing customer service and reliability while optimizing operating costs.

The upgrade is required to ensure the ability of the ADMS to function and communicate successfully with other Austin Energy software systems used for power generation, transmission, customer billing, revenue generation, outage management and related communications. The original contract was the result of a competitive solicitation in 2012.

This amendment provides for the conversion of individual licenses to an enterprise license that no longer limits the number of licenses Austin Energy has in use, the purchase of additional software modules to

provide additional functionality, and the inclusion of new language designed to reduce risk to Austin Energy. The amendment includes all of the services necessary for the upgrade including implementation, training, and continued software maintenance and support.

The total contract amount of \$14,057,877 is for a critical system that will serve Austin Energy for up to 13 years. The intention of upgrading and extending the existing agreement is to further leverage Austin Energy's experience with the ADMS-SCADA system to achieve greater efficiencies and drive data-based business decisions. In addition to a major version upgrade, new critical business functionality will be delivered. The version in place now is four versions behind, making it difficult for the contractor to provide functionality updates.

Currently Austin Energy has a license grant for licenses supporting its Onsite Test System which expire on April 30, 2018. If the licenses expire before this amendment is executed, Austin Energy will not be able to conduct required testing, patches or hot-fixes.

Without this upgrade, Austin Energy will lose support for the ADMS which will significantly impact its ability to respond to customer outages throughout its service area.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	3 yrs.	\$5,700,000		\$ 5,700,000
Extension Option 1	1 yr.	\$ 385,000		\$ 385,000
Extension Option 2	1 yr.	\$ 385,000		\$ 385,000
Extension Option 3	1 yr.	\$ 385,000		\$ 385,000
Optional Extension 4	1 yr.	\$ 385,000		\$ 385,000
Proposed Amendment	6 yrs.		\$6,817,877	\$ 6,817,877
TOTALS	13 yrs.	\$7,240,000	\$6,817,877	\$14,057,877

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Council Date:

May 10, 2018

Posting Language

Approve issuance of a rebate to Data Foundry, Inc., for performing energy efficiency improvements at its new facility located at 4100 Smith School Road, in an amount not to exceed \$98,714.
(District 2)

Lead Department

Austin Energy

Fiscal Note

Funding in the amount of \$98,714 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy.

For More Information:

Jeff Vice, Director, Local Government Relations (512) 322-6087; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission on April 16, 2018 and by the Resource Management Commission on April 17, 2018.

Additional Backup Information:

Austin Energy requests authorization to issue a rebate to Data Foundry, Inc., in an amount not to exceed \$98,714 for energy efficiency measures at its new Texas 2 facility at 4100 Smith School Road, in Council District 2. The energy efficiency measures at Texas 2 include: air conditioning (package units), air cooled chillers, high efficiency lighting, transformers, variable frequency drives, electronically commutated motors and uninterruptible power supply. The estimated total cost of these measures is \$39,606,578. The rebate will cover 0.25% of the total cost.

These improvements are in accordance with Austin Energy's Commercial Rebate Program guidelines and the Energy Conservation Audit and Disclosure (ECAD) Ordinance. The rebate program is one element of Austin Energy's comprehensive Resource, Generation and Climate Protection Plan to realize 900 MW of energy efficiency and demand response by 2025. It is designed in part to reduce local air pollution through energy conservation, reduce peak demand, reduce the need to purchase additional generation and assist customers in reducing electric consumption.

The avoided kilowatt-hours (kWh), estimated at 2,321,832 kWh per year, represent a major benefit to the local environment. This project is estimated to prevent the production of the following air emissions annually: 1,243 metric tons of Carbon Dioxide (CO₂), 0.6 metric tons of Nitrogen Oxides (NO_x), and 1.4 metric tons of Sulfur Dioxide (SO₂). The project savings is equivalent to an estimated 2,791,086 vehicle miles traveled, the removal of 238 cars from our roadways, or the planting of 31,936 trees or 1,597 acres of forest in Austin's parks.



COMMERCIAL REBATE FACT SHEET

Data Foundry, Inc. – Texas 2

Property Name	Texas 2			
Customer Name	Data Foundry, Inc.			
Property Address	4100 Smith School Road			
Total Square Feet	153,764			
Year Built	2017			
Air Conditioner Tonnage	440			
Water Heater Type	N/A			
Energy Conservation Audit and Disclosure (ECAD) Status[1]	Exempt – New Construction			
Total Measure Costs				
	\$39,606,578			
Total Rebate – Not to Exceed				
	\$98,714			
% of Total Measure Costs				
	0.25%			
Note(s)				
Data Foundry built a new Data Center, Texas 2, which was constructed at a cost of \$39,606,578. The total rebate for all eligible equipment is not to exceed \$98,714 which is 0.25% of the total project cost.				
Project Annual Savings (Estimated)				
Kilowatt (kW)	433			
\$/kW	\$227.96			
Kilowatt-hours (kWh)	2,321,832			
Scope of Work				
Measure	Rebate Amount	Estimated kW Saved	Estimated kWh Saved	\$/kW
Air Conditioning (Package Units)	\$20,146.27	44	579,153	\$454.55
Air Cooled Chillers	\$27,200.14	110	508,685	\$247.93
High Efficiency Lighting	\$8,765.88	99	301,362	\$88.25
Transformers	\$80.50	0	4,551	\$221.76
Variable Frequency Drives[2]	\$5,096.17	17	25,767	\$300.53
Electronically Commutated Motors[3]	\$20,930.00	83	292,666	\$251.53
Uninterruptible Power Supply	\$16,494.93	79	609,649	\$208.42
Total	\$98,713.89	433	2,321,832	\$227.96
Measures Performed – Last 10 years at this property				
			Completion Date	Rebate Amount
N/A – New Construction				

- (1) Owner agrees to comply with TITLE 6. ENVIRONMENTAL CONTROL AND CONSERVATION. CHAPTER 6-7. ENERGY CONSERVATION code (ECAD Ordinance) prior to the issuance of the rebate payment. Since this is a new construction property, benchmark energy usage is not required for the ECAD Ordinance until construction is complete and 12 months of utility data has been collected.
- (2) Variable Frequency Drives (VFDs) adjust the speed of a pump or motor by varying its input frequency and voltage, thereby reducing its peak power when full speed is not required.
- (3) Electronically Commutated Motors (ECMs) are motors controlled by a microprocessor to modulate the speed (RPM) based on a control variable. This allows for lower input power thus resulting in peak demand savings.

Council Meeting Date: May 10, 2018

Posting Language

Approve issuance of a rebate to Paradise Oaks ICG LLC, for performing energy efficiency improvements at Paradise Oaks Apartments, located at 1500 Faro Drive, in an amount not to exceed \$144,876. (District 3)

Lead Department: Austin Energy

Fiscal Note: Funding is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy.

For More Information:

Jeff Vice, Director, Local Government Relations (512) 322-6087; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission on April 16, 2018 and by the Resource Management Commission on April 17, 2018.

Additional Backup Information:

Austin Energy requests authorization to issue a rebate to Paradise Oaks ICG LLC, in an amount not to exceed \$144,876, for energy efficiency measures at Paradise Oaks Apartments located at 1500 Faro Drive, in Council District 3.

The property comprises 32 buildings and 248 apartment units, with a total of 253,842 square feet of conditioned space. The average rent for a one bedroom unit is \$874, a two bedroom unit is \$1,048, a three bedroom unit is \$1,221 and a four bedroom unit is \$1,347. This property is listed in the 2017 Austin Tenants' Council "Guide to Affordable Housing in the Greater Austin Area" as a participant in the Housing Tax Credit Program. Tenants earning up to 60% of the area median family income for their household size and who meet eligibility restrictions of the property may qualify for reduced rent.

The energy efficiency measures proposed at Paradise Oaks Apartments include: duct remediation and sealing, LED lamps and solar screens. The estimated total cost of the project is \$144,876; the rebate will cover 100% of the total cost. This rebate is funded by Austin Energy's Multifamily Weatherization Assistance Program. While similar to the standard Multifamily Rebate Program, the rebates are larger for low income housing and are customized for each measure, based on historical savings and cost data.

These improvements are made in accordance with Austin Energy's Multifamily Weatherization Assistance Rebate Program guidelines. The rebate program is one element of Austin Energy's comprehensive Resource, Generation and Climate Protection Plan to realize 900 MW of energy efficiency and demand response by 2025. It is designed in part to reduce local air pollution through energy conservation, reduce peak demand, reduce the need to purchase additional generation, and assist customers in reducing electric consumption.

The avoided kilowatt-hours (kWh), estimated at 564,692 kWh per year, represent a major benefit to the local environment. This project is estimated to prevent the production of the following air emissions annually: 302.2 metric tons of Carbon Dioxide (CO₂), 0.13 metric tons of Nitrogen Oxides (NO_x), and 0.34 metric tons of Sulfur Dioxide (SO₂). The project savings is equivalent to an estimated 678,819 vehicle miles traveled, the removal of 58 cars from our roadways, or the planting of 7,767 trees or 388 acres of forest in Austin's parks.



MULTIFAMILY REBATE FACT SHEET

Paradise Oaks

Community Name	Paradise Oaks				
Customer Name	Paradise Oaks ICG LLC				
Property Address	1500 Faro Drive				
Year Built	1996				
Average Rent per Floor Plan	1 BR \$874; 2BR \$1048; 3BR \$1,221; 4 BR \$1,347				
Number of Rentable Units ¹	248				
Housing Type ²	Housing Tax Credit Program; Income Levels A & B (Total household income is 50% or less of the area median income and total household income is more than 50% but less than 60% of the area median income.)				
Air Conditioner Tonnage	506 total tons – 2 tons per unit				
Water Heater Type	Natural Gas				
On Repeat Offender List? ³	No				
Electric Utilization Intensity for this property	8.84 kWh/sq ft				
Average Electric Utilization Intensity for cohort ⁴	11.26 kWh/sq ft for properties built from 1985 to 2001 with electric heat				
Energy Conservation Audit and Disclosure (ECAD) status ⁵	Compliant				
Total Measure Costs	\$144,875.96				
Total Rebate – Not to Exceed	\$144,875.96				
% of Total Measure Costs	100%				
Rebate per Unit	\$584.18				
Scope of Work ⁶					
Perform duct remediation and sealing on 248 furr down air handlers with electric heat					
Replace 3,568 60 watt incandescent lamps with a like number of 9 watt LED lamps					
Install 14,558 square feet of solar screens to non-North oriented and non-shaded windows					
Project Annual Savings at 100% Occupancy					
Kilowatts (kW) Saved – Estimated	227 kW at meter				
Dollars per kW– Estimated	\$638 / kW				
Kilowatt-hours (kWh) Saved – Estimated	530,725 at meter				
Monthly Savings Per Customer - Estimated ⁷					
Dollar savings	\$17.83				
Scope of Work					
Measure	Rebate Amount	kW Saved – Estimated	kWh Saved – Estimated	\$/kW	Average annual dollar savings per customer
Duct remediation and seal	\$97,001	195.6	394,388	\$496	\$149.46
LED lamps	\$10,918	17.6	124,455	\$620	\$47.11
Solar screens	\$36,956	60.8	45,849	\$607	\$17.38
Measures Performed - Last 10 Years at this property		Completion Date		Rebate Amount	
None					

¹ Energy Conservation Audit and Disclosure 2015 Energy Guide for Prospective residents lists the total number of units in the property; this may include units that are not rentable such as office spaces, model units, maintenance shops, etc.

² Per "Guide to Affordable Housing" published by The Austin Tenants' Council; includes income requirements and restrictions.

³ <http://www.austintexas.gov/department/repeat-offender-program>

⁴ Cohort Type is determined by the year the property is built and the heating type (either gas or electric).

⁵ Owner agrees to comply with TITLE 6. ENVIRONMENTAL CONTROL AND CONSERVATION. CHAPTER 6-7. ENERGY CONSERVATION CODE prior to the issuance of the rebate check.

⁶ Energy (kWh) and dollars (\$) saved per project varies by both the size of the project and the type of heating. Projects with electric heat generally have higher savings than projects with gas heat.

⁷ Calculation based on 10 cents per kWh.

**Paradise Oaks Apartments Rebate
Austin Energy Multi-family Weatherization Assistance Program
Additional ECAD Information**

RCA Posting Language: Approve issuance of a rebate to Paradise Oaks ICG LLC, for performing energy efficiency improvements at Paradise Oaks Apartments, located at 1500 Faro Drive, in an amount not to exceed \$144,876. (District 3)

1. An ECAD Audit was completed May, 23, 2011. Solar screens were in place on most windows at that time. During a recent verification audit, most of the screens had been removed.
2. Duct seal results in 2011 were 23%. During the pre-verification, the average duct seal was 53% for the sample of units tested.
3. Average attic insulation in 2011 was an average of R-22. The pre-verification audit recorded an average of R-18 on the sample units. Additional attic insulation is not being proposed for this project.

Council Meeting Date: May 10, 2018

Posting Language

Authorize negotiation and execution of a contract with The University of Texas at Austin, to provide energy related research services, for up to five years for a total contract amount not to exceed \$500,000.

(Note: This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required, there were no subcontracting opportunities, therefore no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$175,000 is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Professional Service.

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to Sandy Brandt, at 512-322-6594 or Sandy.Brandt@austintexas.gov.

Council Committee, Boards and Commission Action:

April 16, 2018 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide research on an as-needed basis to study the market impact of energy technologies. Austin Energy is committed to creating successful technological advances that make renewable, distributed generation a more reliable, efficient, and economically viable option. The University of Texas at Austin was selected for their groundbreaking research into new energy technologies and longstanding research partnership with Austin Energy. Research projects will support the goals of Austin Energy in the areas of advanced grid technologies, distributed generation, and energy efficiency. Within these areas, the contractor will research topics including: analysis of system cost and performance to assess energetic, economic and environmental tradeoffs of different fuel and technology options; building energy modeling, including the impact of devices such as solar panels, storage, and variable speed drives/motors, etc.; energy harvesting modeling; analysis of value stacking; business case development for technologies and processes; and other emerging technologies.

If a contract is not secured, the City will enter into one-time contracts, which will increase administrative costs and time to initiate projects essential to advancing Austin Energy's mission.

Council Meeting Date: May 10, 2018

Posting Language

Authorize negotiation and execution of a multi-term contract through the State of Texas Department of Information Resources cooperative purchasing program with immixTechnology, Inc., to provide TIBCO software products including maintenance, training, and support services, for up to five years for a total contract amount not to exceed \$1,709,332.

(Note: This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this procurement, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$265,333 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Multiple vendors within this cooperative purchasing program were reviewed for these goods and services. The Purchasing Office has determined this contractor best meets the needs of the department to provide these goods and services required at the best value for the City.

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to the buyer, Brett Hardy, at 512-322-6122 or Brett.Hardy@austinenergy.com.

Council Committee, Boards and Commission Action:

April 16, 2018 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract is for TIBCO software products including maintenance, training, and support services for Austin Energy. TIBCO software provides integration, analytics and ability to manage information, processes and applications for processing data in a distributed manner. TIBCO's software provide a technology neutral platform for real-time communication and data transfer between otherwise incompatible software and allows Austin Energy to create visualizations from scratch or edit through a web browser.

The contract will facilitate the upgrade, renewal and consolidation of Austin Energy's TIBCO software product portfolio including related maintenance and support services, and the purchase of new technology software and related maintenance and support and training services on an as-needed basis.

The State of Texas Department of Information Resources cooperative establishes competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

Austin Energy determined the required amount of authorization over the next five years through review of the licenses currently owned, potential expansion of number of users/licenses and new products, and training requirements.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$ 405,333
Optional Extension 1	1 yr.	\$ 415,100
Optional Extension 2	1 yr.	\$ 425,355
Optional Extension 3	1 yr.	\$ 226,123
Optional Extension 4	1 yr.	\$ 237,421
TOTAL	5 yrs.	\$1,709,332

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Council Meeting Date: May 10, 2018

Posting Language

Ratify a contract with Powell Electrical Systems Inc., for services and replacement parts to repair a switchgear, in the amount of \$63,746.

(Note: This contract is exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding was available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy.

Purchasing Language:

Ratification.

Prior Council Action:

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to the buyer, Darralyn N. Johnson, at 512-505-7293 or Darralyn.Johnson@austinenergy.com.

Council Committee, Boards and Commission Action:

April 16, 2018 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

In 2017, the Dessau Substation experienced a cable fault causing severe damage to one of the switchgear. Switchgear is a system of protective relays, circuit breakers and communication devices that is used to distribute power to the Austin Energy customer. Due to the severity of the damage, Austin Energy declared a critical business need and authorized an exemption from the required competitive process so staff could contract the necessary services and purchase replacement parts from the switch manufacturer, Powell Electrical Systems Inc. (Powell), to help restore and rebuild the equipment.

Powell was used because they possessed the technical expertise and parts inventory needed to help restore and rebuild the damaged equipment. Austin Energy currently contracts with Powell for the supply of substation switchgears. Austin Energy's experience with their equipment and services has been positive.

Council Meeting Date: May 10, 2018

Posting Language

Ratify a contract with Techline, Inc., for manhole lifting devices, in the amount of \$155,610.

(Note: This contract is exempt from the City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding was available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy.

Purchasing Language:

Ratification.

Prior Council Action:

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to the buyer, Terry V. Nicholson, at 512-3226586 or Terry.Nicholson@austinenergy.com.

Council Committee, Boards and Commission Action:

April 16, 2018 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract provides Austin Energy with the equipment required to safely rescue personnel from manholes. Manholes are frequently accessed by personnel to construct, operate and maintain the electrical system. Occupational Safety and Health Administration (OSHA) regulations regarding rescue equipment changed, requiring a different rescue system be used by Austin Energy.

After evaluating manufacturers and suppliers who offer OSHA approved equipment, Austin Energy identified Pelsue as the most cost effective, easy to use, least obtrusive, and best fit for Austin Energy's rescue operations. In addition, the equipment is available through a local distributor. Due to the safety risk involved, Austin Energy approved an exemption from the normal purchasing process.

At this time, Austin Energy does not have manhole lifting devices rated for human rescue and thereby is placing its employees at potential risk in the event a rescue is needed as well as not being in compliance with OSHA and Austin Energy safety regulations.

Council Meeting Date: May 10, 2018

Posting Language

Authorize award and execution of a contract with Techline, Inc., to provide metering current transformers, in an amount not to exceed \$69,228.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) 1100 DNJ0145 for these goods. The solicitation issued on October 16, 2017 and it closed on October 31, 2017. Of the six offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online.

Link: [Solicitation Documents](#).

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Darralyn N. Johnson, at 512-505-7293 or Darralyn.Johnson@austinenergy.com.

Council Committee, Boards and Commission Action:

April 16, 2018 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide nine metering current transformers (CTs) for Austin Energy's Sand Hill Substation. CT devices are used to monitor current levels in the operation of the power grid, per Electric Reliability Council of Texas (ERCOT) requirements. When required, the metering CT scales large alternating currents to small alternating currents, which is then measured by an external metering device.

The nine CTs in service now are at the end of their service life. If the CTs are not replaced, current measuring and monitoring may not be available at the Sand Hill Substation, resulting in non-compliance with ERCOT requirements.

Council Meeting Date: May 10, 2018

Posting Language

Authorize award and execution of a multi-term contract with Techline, Inc., to provide fault indicators and fiber optic leads, for up to five years for a total contract amount not to exceed \$2,676,200.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$238,505 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) 1100 TVN1019 for these goods. The solicitation issued on January 15, 2018 and it closed on February 1, 2018. Of the two offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online.

Link: [Solicitation Documents](#).

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Terry V. Nicholson, at 512-322-6586 or

Terry.Nicholson@austinenergy.com.

Council Committee, Boards and Commission Action:

April 16, 2018 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract is for the supply of fault indicators and fiber optic leads to replenish stock at Austin Energy's Kramer and St. Elmo warehouses for immediate issue to crews on an as-needed basis. These items are used when a failure (fault) occurs on an underground electric circuit. The fault indicators are equipped with a small light-emitting diode (LED) that blinks, indicating a fault has occurred. This method of locating underground faults is safer and much faster than manually searching for the fault by opening manholes and transformers. This will help trouble-shooting personnel restore service much faster and at a lower cost.

This contract will replace the previous contract which expired in April 2018 with an average annual expenditure of approximately \$441,223. The additional authority requested represents the average usage over the last three years and includes three new related items not previously under contract. KBS Electrical Distributors Inc. was the previous provider for these goods.

Without this contract, the utility must procure these items through open market purchases at less advantageous pricing.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$ 535,240
Optional Extension 1	1 yr.	\$ 535,240
Optional Extension 2	1 yr.	\$ 535,240
Optional Extension 3	1 yr.	\$ 535,240
Optional Extension 4	1 yr.	\$ 535,240
TOTAL	5 yrs.	\$2,676,200

Note: Contract Authorization amounts are based on the City's estimated annual usage.

City Council Meeting Date

May 10, 2018

Posting Language

Authorize the negotiation and execution of an Interlocal Agreement between the City of Austin and the City of Bee Cave (“Bee Cave”) in order for Bee Cave to reimburse the City of Austin for an amount not to exceed \$867,796 for costs associated with the construction of underground electric lines along Bee Cave Parkway located in Travis County and within Austin Energy’s service territory.

Lead Department

Austin Energy

Fiscal Note

Funding in the amount of \$867,796 is available in the Capital Budget of Austin Energy. This amount will be fully reimbursed as a contribution in aid of construction by the City of Bee Cave.

For More Information:

Jeff Vice, Director, Local Government Issues (512) 322-6087; Dan Smith, Vice President, Electric Service Delivery (512) 505-7009; Michael Pittman, Power System Principal Engineer, (512) 505-7678, Pamela England, Manager, Public Involvement and Real Estate Services.

Council Committee, Boards and Commission Action:

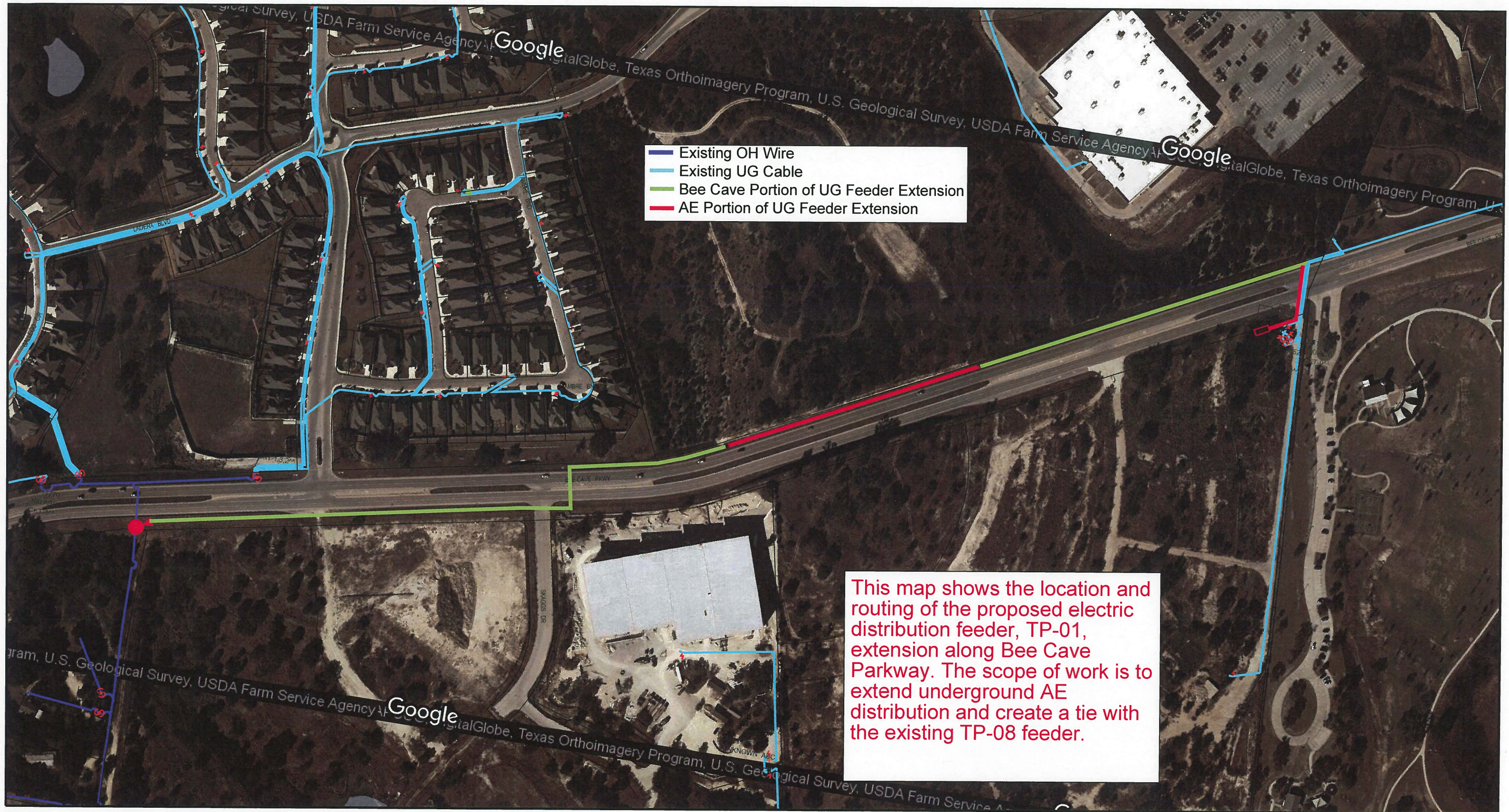
To be reviewed by the Electric Utility Commission on April 16, 2018.

Additional Backup Information:

This project, which will be designed and managed by Austin Energy, is necessary to extend the existing overhead electric distribution feeder (identified by the utility as TP-01) along Bee Cave Parkway. This new circuit will connect with the existing underground distribution along Bee Cave Parkway located across from the entrance to the Bee Cave City Park to create a connection with another feeder (TP-08). This project will provide improved switching flexibility, allow for future capacity upgrades to the overall electric system, and allow electrical load to be transferred from the heavily loaded feeder, TP-08, to the TP-01 feeder. The project is necessary to increase the safety and overall reliability of electric service to both existing and future customers in the City of Bee Cave.

Bee Cave desires to add betterment (“Bee Cave Betterment”) to the Feeder Project in order to construct the Feeder Project underground. In accordance with Austin Energy Line Extension Policy, Bee Cave will bear the additional cost of undergrounding. On March 27, 2018 the Bee Cave City Council approved an Interlocal Agreement with the City of Austin for this project. Bee Cave City Council authorized up to \$867,796 for the increased costs associated with installing the Feeder Project underground to be reimbursed to Austin Energy. The reimbursement includes the cost differential of the civil engineering, and materials and labor between Austin Energy’s standard overhead construction and underground installation.

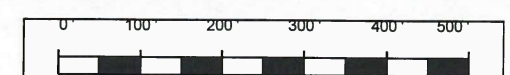
Exhibit A - Location Map



01/29/2018

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

This product has been produced by Austin Energy for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.



Council Meeting Date: May 10, 2018

Posting Language

Authorize award and execution of a multi-term contract with GC3 Specialty Chemicals Inc., to provide bulk aqueous ammonia, for up to four years for a total contract amount not to exceed \$364,800.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$30,400 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) 1100 CAK0104 for these goods. The solicitation issued on January 15, 2018 and it closed on February 6, 2018. Of the three offers received, the recommended contractor submitted the only responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](#).

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Cheryl Kaufman, at 512-505-3545 or Cheryl.Kaufman@austinenergy.com.

Council Committee, Boards and Commission Action:

April 16, 2018 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide bulk aqueous ammonia for Sand Hill Energy Center on an as-needed basis. Aqueous ammonia is used to reduce nitrous oxide emissions by converting it to nitrogen and water. Aqueous ammonia is required for the catalytic reduction systems to operate properly.

The contract will replace a previous contract with a total expenditure of \$339,000 over the past four years. The authorization amount requested is based on actual inventory usage over the last four years.

Without this contract, Austin Energy will not be able to meet federal and state air permit requirements.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$ 91,200
Optional Extension 1	1 yr.	\$ 91,200
Optional Extension 2	1 yr.	\$ 91,200
Optional Extension 3	1 yr.	\$ 91,200
TOTAL	4 yrs.	\$364,800

Note: Contract Authorization amounts are based on the City's estimated annual usage.

City Council Meeting Date

May 10, 2018

Posting Language

Authorize negotiation and execution of future natural gas transportation, storage and balancing agreements on a recurring basis with Enterprise Texas, Atmos Pipeline Texas, Kinder Morgan Texas, and any successors-in-interest to these companies, for the delivery of gas supply to Austin Energy's gas-fired generation facilities for successive terms not to exceed 60 months each, in a combined amount not to exceed \$15,000,000 per fiscal year.

Lead Department

Austin Energy

Fiscal Note

Funding will be provided through the Power Supply Adjustment.

Prior Council Action:**For More Information:**

Jeff Vice, Director, Local Government Issues (512) 322-6087; Khalil Shalabi, VP, Energy Market Operations and Resource Planning (512) 322-6520; Erika Bierschbach, Interim Director, Energy and Market Operations (512) 322-6476.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission on April 16, 2018.

Additional Backup Information:

Austin Energy owns and operates two natural gas fired generation facilities within its service territory, the Sand Hill Energy Center and Decker Creek Power Station. The plants are served by a combination of natural gas pipeline service providers. Service is needed from multiple providers to maintain resiliency and reliability, and enhance competition through broader access to national gas supplies. Enterprise Texas and Atmos Pipeline Texas serve both Sand Hill and Decker. Kinder Morgan Texas serves Sand Hill. In addition, different pipelines offer Austin Energy access to suppliers from diverse geographic sources. Atmos and Enterprise enable Austin Energy to have access to lower priced West Texas Waha gas compared to Katy supplies that are primarily available on Kinder Morgan's pipeline.

The retirement of Decker's two steam units is accounted for in the contractual negotiations with the pipeline suppliers and are designed to accommodate a reduction of gas required to serve the remaining four generation turbines that will be in operation after the steam units are decommissioned.

Service agreements with the three gas pipeline service providers are currently in place with expenditures that were authorized by City Council; however, the agreements will expire as follows: Enterprise Texas in June 2018; Atmos Pipeline Texas in December 2018; and Kinder Morgan Texas in July 2019.

Austin Energy is requesting authority to negotiate and enter into future natural gas transportation agreements on a recurring basis, up to a total expenditure of \$15 million per fiscal year, with contract terms of up to 60 months. This spending authority will be used to replace each current natural gas transportation agreement upon its expiration, and enable Austin Energy to capitalize on dynamic market pricing to enter into future agreements within the constraints stated above and without additional action by Council.

Ongoing service arrangements with all three natural gas transportation providers are essential to secure reliable and competitive operations at the plant facilities, thus enabling Austin Energy to dispatch its gas generation in the most optimal manner available and take advantage of real time market opportunities. In addition, this authorization will enable Austin Energy to take advantage of competitive service opportunities as they develop and to realize maximum flexibility in its gas supply acquisition strategy while maintaining optimal supply reliability during critical demand periods.

COUNCIL DATE: May 24, 2018

Posting Language

Authorize negotiation and execution of a Design Build Agreement with SpawGlass Contractors, Inc., for design and construction services for Downtown Chiller Capacity Addition in an amount not to exceed \$14,000,000. (District 9)

Amount and Source of Funding

Funding is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy.

Purchasing Language:

Best Value to the City of Austin of five (5) Statements of Qualifications received.

Prior Council Action:

September, 28, 2017 – City Council authorized use of Alternative Delivery Method.

For More Information:

Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov.

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749 or Aiden Cohen, 512-974-1929.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission on April 16, 2018.

Additional Backup Information:

Background

On September 28, 2017, Council authorized the use of a design-build project delivery method in accordance with Texas Government Code Section 2269, Subchapter G; by which a governmental entity contracts with a single entity to provide both design and construction services for the Downtown Chiller Capacity Addition project.

Overview of Alternative Delivery Method

Design-Build is a project delivery method where a single firm (or joint venture) is hired to provide both design and construction services. Design-Build is best for complex projects with schedule and/or budget constraints. The City primarily uses this process for new facilities, renovations and/or improvements to real property.

The Design-Build contract is recommended for award to the Design-Builder providing the best value to the City, as established through a qualifications-based selection process. A design-build solicitation is a 2-Step Process consisting of Request for Qualifications (step 1) and Request for Additional Information (step 2). A diverse City-staffed Evaluation Panel comprised of technical experts, reviews, scores, and shortlists Design-Builders during step 1 who are then eligible to

proceed to step 2. Completion of steps 1 and 2 result in the selection of the highest-ranked Design-Builder. Council's authorization is requested to negotiate and execute an agreement with the highest ranked Design-Builder to begin design phase services. MBE/WBE goals are initially established for the design phase services only. When Design is sufficiently complete and prior to Construction Phase, MBE/WBE goals are established based on identified construction trades.

BRIEF HISTORY OF PROJECT

Austin Energy intends to provide additional chilled water production capacity for the Downtown District Cooling System within the Austin Convention Center. The proposed equipment will be operated as a 'peaker plant' to meet chilled water demand when customer requirements exceed current capacity. The planned chilled water capacity for this project is approximately 3,000 tons. The proposed plant equipment will be connected to existing chilled water distribution piping below Red River Street adjacent to the Austin Convention Center. The plant equipment will include chillers, cooling towers, pumps and all other equipment necessary for a remotely operated chilling station. Considerations will include electrical power availability, access to existing chilled water and plumbing lines, and coordination with convention center staff. The project requires multiple disciplines including mechanical, structural, electrical, and civil engineering. The goal is to have the plant operational by December of 2019. The estimated total design-build budget is approximately \$14,000,000, inclusive of design, construction services and contingency.

PURPOSE, DETAILS, BENEFIT OF REQUESTED ACTION

Austin Energy is requesting Council authorization to negotiate and execute the design-build contract for preliminary, design, and construction phase services for this project. The preliminary and design phase includes schematic design, design development, construction documents, constructability reviews, value engineering, cost estimating, scheduling, development of a safety program, quality assurance, site security, environmental protection plans, permitting, pre-construction services, MBE/WBE subcontractor outreach, and all other services associated with the development of work packages for construction phase services.

With Council's authorization of this request, staff will negotiate with the highest ranked firm that offers the best value to the City on the basis of published selection criteria. Should the City be unsuccessful in negotiating a satisfactory agreement for services with the top ranked firm, said firm will be notified in writing that negotiations will cease. Pursuant to statute, staff will then proceed to negotiate with the next firm in the order of selection ranking.

MBE/WBE Program

Participation goals stated in the solicitation for design phase services were .99% African America; 2.98% Hispanic; 2.24% Native/Asian America; and 2.20% WBE. The recommended firm and alternate firm(s) provided MBE/WBE Compliance Plans which met the goals of the solicitation and were approved by the Small and Minority Business Resources Department.

Additional subcontracting opportunities will also arise during the construction phase of this project; however, the specific scopes and magnitude of the construction work cannot be

determined until design has been sufficiently completed. Prior to entering into the construction phase, the City will establish separate MBE/WBE goals for construction and the design-build firm shall submit a Compliance Plan meeting the construction goals or documentation detailing their good faith efforts to meet the established goals for approval by the Small and Minority Business Resources Department.

Solicitation Response

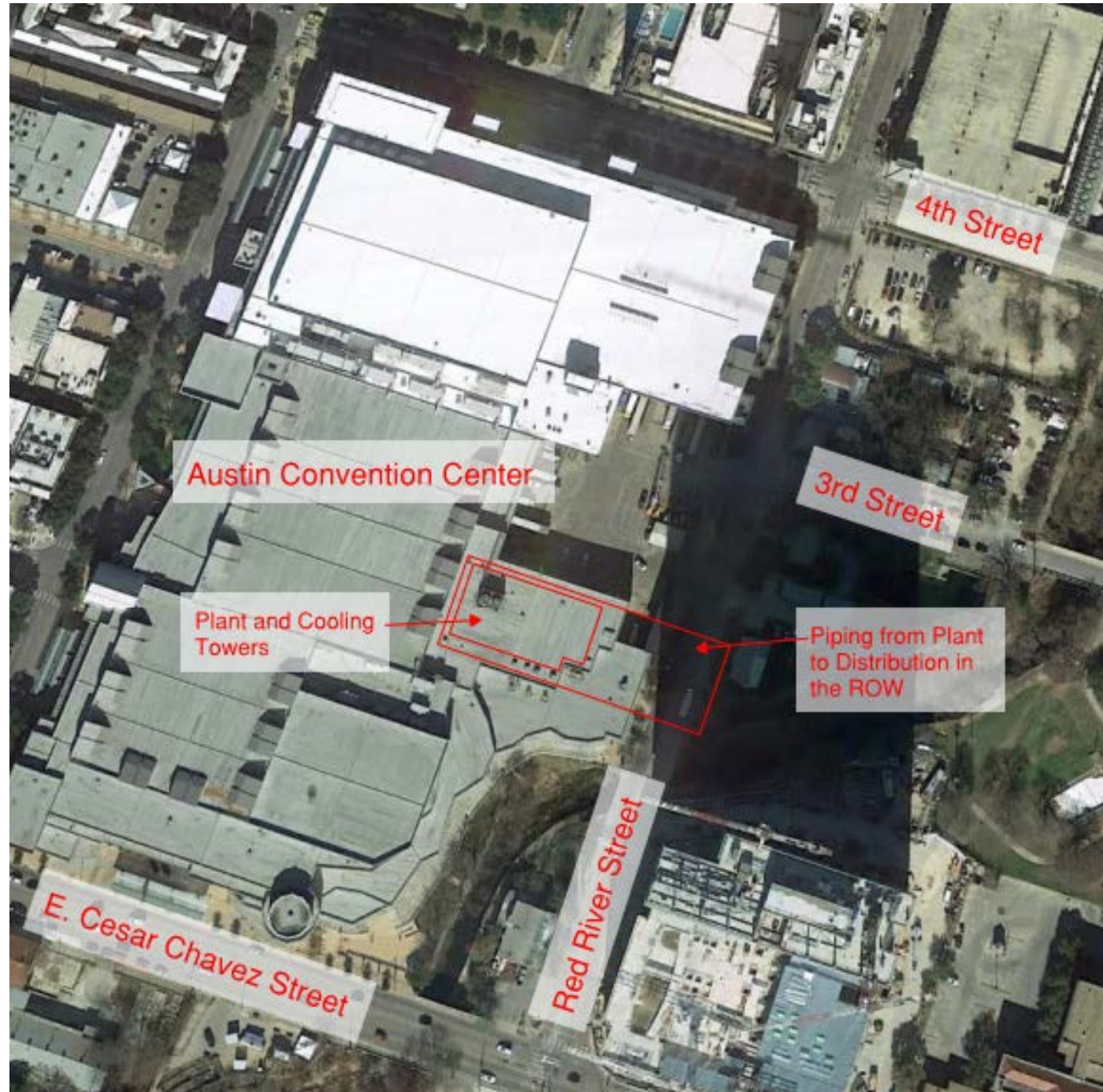
This Request for Qualifications solicitation was issued on January 15, 2018 through the City's Vendor Connection web portal, which resulted in 3,120 firms receiving notice. The solicitation documents were obtained by 147 firms and five (5) firms' submitted responses. One of the firms was a certified MBE/WBE firm. Of the firms evaluated, two (2) firms were short-listed and interviewed which resulted in the following ranking:

Selection Ranking

RECOMMENDED FIRM: SpawGlass Contractors, Inc., Austin, Texas (located in Austin, Texas).

ALTERNATE FIRM: Flintco, LLC, Austin, Texas (located in Austin, Texas).

Austin Energy Downtown Chiller Capacity Addition Project Location



[illegible]

M/WBE Summary

Public notice was given for request for qualifications for CLMA026 Downtown Chiller Capacity Addition, through the City's Vendor Connection web portal. Five firms submitted proposals which were received on March 1, 2018. Of the five proposals received one proposal was from MBE/WBE certified firm, Solis Construction, Inc. Spawglass, Inc., was determined to be the best value of the five proposals received:

- 1st – Spawglass Inc., (Non M/WBE), Austin, TX
- 2nd – Flintco, LLC. (Non M/WBE), Austin, TX

Project specific subgoals stated in the request for qualifications were 0.99% African American; 2.98% Hispanic; 2.24% Native/Asian; 2.20% WBE.

RECOMMENDED FIRM: SpawGlass Inc, Austin,Texas– Total Participation:

<u>NON M/WBE TOTAL – PRIME</u>	<u>15%</u>
SpawGlass, Austin, Texas	15%
<u>MBE TOTAL – SUBCONSULTANT/SUBCONTRACTOR</u>	<u>9.66%</u>
<u>African American Subtotal</u>	<u>2.82%</u>
(FB) Carter Design Associates (Architect Services,Professional)	2.82%
<u>Hispanic Subtotal</u>	<u>3.24%</u>
(FH)Civil Land Group, Round Rock, Texas (Civil Engineering)	3.24%
<u>Native/Asian Subtotal</u>	<u>3.60%</u>
(MA) Enotech, Austin, Texas (Structural Engineer)	3.60%
<u>WBE TOTAL – SUBCONSULTANTS</u>	<u>2.99%</u>
(FC) Power Quality EngineerFirm, Cedar Park, Texas (Electrical Engineering)	2.99%
<u>NON M/WBE TOTAL – SUBCONSULTANTS</u>	<u>72.35%</u>
Stanley Consultant Inc, Austin, Texas (Mechanical Engineering)	66.97%
Concept Development & Planning LLC, Austin, Texas (Community Development Consulting	2.65%
Jensen Hughes,Plano, Texas (Fire Protection – Archectural Services)	2.73%

The Contractor submitted a MBE/WBE Compliance Plan that met the goals of the solicitation and was approved by the Small and Minority Business Resources Department.

Second proposer's information is provided.

SECOND RANKED FIRM: Flintco, Austin, Texas – Total Participation:

15.00% Prime participation; 0.99% African American; 2.98% Hispanic; 2.24% Native/Asian; 2.20% WBE; 76.59% Non M/WBE subcontractor participation