

RECOMMENDATION FOR COUNCIL ACTION**City Council Meeting Date:**

8/9/2018

Posting Language

Approve issuance of a rebate to Fairmont Austin, for performing energy efficiency improvements at its Fairmont Hotel Austin located at 101 Red River Street, in an amount not to exceed \$206,014. (District 9)

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.

Boards and Commission Action:

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

Additional Backup Information:

Austin Energy requests authorization to issue a rebate to Fairmont Austin, in an amount not to exceed \$206,014, for energy efficiency measures at the Fairmont Hotel Austin, located at 101 Red River Street in Council District 9.

The energy efficiency measures at the Fairmont Hotel Austin include: heating, ventilation and air conditioning (HVAC) CO2 controls; regenerative elevators; guest room thermostat controls; high efficiency lighting; variable frequency drives to control air handler motors; and variable frequency drives to control chilled water pump motors.

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 the comprehensive Austin Energy 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 2,983,855 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: 1,597 metric tons of Carbon Dioxide (CO2), 0.7 metric tons of Nitrogen Oxides (NOX), and 1.8 metric tons of Sulfur Dioxide (SO2). The project savings is equivalent to an estimated 3,586,907 vehicle miles traveled, the removal of 306 cars from our roadways, or the planting of 41,042 trees or 2,052 acres of forest in Austin's parks.



COMMERCIAL REBATE FACT SHEET

Fairmont Hotel Austin

Property Name	Fairmont Hotel Austin			
Customer Name	Fairmont Austin			
Property Address	101 Red River Street			
Total Square Feet	1,156,135			
Year Built	2018			
Air Conditioner Tonnage	3303			
Water Heater Type	Natural Gas			
Energy Conservation Audit and Disclosure (ECAD) Status [1]	Exempt - New Construction			
Total Rebate – Not to Exceed	\$206,014			
Note(s)				
Fairmont Hotel Austin installed various energy efficiency measures resulting in a rebate of \$240,503 which represents 0.14% of the total construction cost of the building.				
Project Annual Savings (Estimated)				
Kilowatt (kW)	1069			
\$/kW	\$192.68			
Kilowatt-hours (kWh)	2,983,855			
Scope of Work				
Measure	Rebate Amount	kW Saved Estimated	kWh Saved Estimated	\$/kW
Custom Tech - OAHU CO2 control [2]	\$14,101.50	49	139,323	\$289.26
Custom Tech - Elevators [3]	\$54,512.50	247	294,663	\$220.75
Guest Room Controllers [4]	\$52,400.00	95	180,307	\$550.94
Lighting (New Construction)	\$47,341.00	553	2,107,576	\$85.59
VFD - Air Volume [5]	\$9,672.00	32	85,434	\$300.56
VFD - Water Pump [6]	\$27,986.50	93	176,552	\$300.54
Total	\$206,013.50	1,069	2,983,855	\$192.68
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 (ECAD Ordinance) prior to the issuance of the rebate payment. This is a new construction property therefore, benchmark energy usage is not required until construction is complete and 12 months of utility data has been collected.

[2] CO2 sensors allow outside air handler units (OAHU) to vary the amount of outside air to be cooled, reducing load on HVAC equipment and reducing energy consumption.

[3] Regenerative elevators generate power when descending.

[4] Guest room controllers adjust thermostat settings to save money when rooms are unoccupied.

[5] Variable frequency drives (VFDs) control air handler motors.

[6] VFDs control chilled water pump motors.

Posting Language

Authorize award and execution of a construction contract through the National Joint Powers Alliance cooperative purchasing program with ChargePoint Inc., for equipment, design, and construction services for electric vehicle charging infrastructure, in the amount of \$1,500,000 for an initial 2-year term, with two 1-year extension options of \$850,000 each, for a total contract amount not to exceed \$3,200,000.

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

Lead Department

Capital Contracting Office

Managing Department(s)

Public Works Department

Fiscal Note

Funding in the amount of \$1,500,000 is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy. Funding in the amount of \$679,150 is available in the Fiscal Year 2017-2018 Capital Budget of Fleet Services. Funding for the extension options is contingent upon available funding in future budgets.

Purchasing Language:

Cooperative purchase through the National Joint Powers Alliance cooperative purchasing program through the competitive procurement process authorized by Texas Statute, Local Government Code, Chapter 271, Subchapter F.

Prior Council Action:

N/A

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, Beverly Mendez, 512-974-3596, or the Project Manager, Cameron Freberg, 512-322-6104.

Council Committee, Boards and Commission Action:

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

Additional Backup Information:

The City of Austin is a national leader in promoting and supporting initiatives contributing to the advancement of electric vehicles and charging infrastructure. Since 2008, Austin Energy has worked towards transportation electrification through the installation of electric vehicle charging infrastructure and partnering with leaders in academia, industry, and other municipalities. Austin Energy has installed

over 650 electric vehicle charging ports at retail, office, multifamily, and fleet locations as part of its Plug-In EVerywhere™ program. Austin is one of the top “electric vehicle-ready” cities in the U.S. due to approval of plans and resolutions including:

- The Austin Energy Resource, Generation and Climate Protection Plan to 2027, approved by Council in 2017, committed to supporting at least 330 new charging stations by 2020
- Deploy 8-10 Austin Energy owned and operated Direct Current Fast Charging stations in Fiscal Year 2018
- Council Resolution 20160505-025 directed staff to increase electrification of the City's Fleet Services vehicles
- In 2015, Council approved the Net-Zero Austin Community Climate Plan with a goal of increasing the amount of electric vehicle infrastructure to support more zero emissions vehicles.
- Council Resolution 20070215-023 established the framework to make all City of Austin facilities, fleets, and operations carbon neutral by 2020.

This contract is for the purchase of equipment, construction, and installation of the equipment for electric vehicle infrastructure within Austin Energy's service territory. It will provide for the installation of up to 330 Level two electric vehicle charging stations, and up to 10 Direct Current Fast Charging stations, to provide charging infrastructure for electric vehicles in the City of Austin's fleet. Additionally, this project will expand public charging infrastructure through Direct Current Fast Charging.

Fleet Services and Austin Energy collaborated to make progress towards the City's objective of obtaining carbon neutrality by 2020. This contract incorporates the construction of charging stations installations for City departments based upon business needs and funding available for installation at selected locations. Fleet Services will leverage Austin Energy's expertise in electric vehicle infrastructure to meet City's plan to add 330 electric fleet vehicles by 2020. Electric vehicles will be charged at City facilities on renewable energy through Austin Energy's GreenChoice Program, reducing costs and fossil fuel use. More electric vehicle charging stations is a major step forward towards the de-carbonization of the City fleet. In parallel with Austin Energy's Direct Current Fast Charging Station, these stations support further electric vehicle adoption.

This request allows for the award and execution of a construction contract with ChargePoint Inc. for an initial 2-year term with two 1-year extensions. However if funds for the initial term are expended staff may accelerate the extension options, but in no event will exceed the total contract amount. The extension options are subject to the agreement of both parties.

A delay in award of this contract will result in vehicles without charging stations delaying the City's goal of community-wide net zero greenhouse gas emission by 2050

ChargePoint, Inc. is located in Campbell, CA.

Posting Language

Approve a resolution authorizing the filing of eminent domain proceedings for the acquisition of easement rights consisting of approximately 0.0465 acres (2,027 square feet) of land in the Marquita Castro Survey Number 50, Abstract Number 160, Travis County, Texas, being out of and a portion of the remainder called 8.39 acres of land as conveyed by Amir Batoei to Austin IR Tacoma, LP, in that certain special warranty deed as recorded in Document Number 2015023241, and being a portion of the same 8.39 acres of land as described to Majid Hemmasi in that certain trustee's warranty deed as recorded in Document Number 2010066548, both of the official public records of Travis County, Texas, in the amount of \$55,164, for the public use of electric transmission and distribution facilities. The owner of the needed property interest is David Hemmasi as Independent Executor for the Estate of Majid Hemmasi, deceased, and Austin IR Tacoma LP. The public use necessitating this acquisition is the relocation of a portion of Austin Energy's Transmission Circuit #975. The property is located on the south side of East Howard Lane across from Kearns Drive, approximately one-half mile south of Immanuel Road, within Austin's 2-mile extraterritorial jurisdiction (ETJ), in Travis County, Texas.

Lead Department

Austin Energy

Fiscal Note

Funding in the amount of \$55,164 is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy.

Prior Council Action:

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For More Information:

Jeff Vice, Director, Local Government Issues (512) 322-6087; Dan Smith, VP, Electric Service Delivery, (512) 505-7009; Pamela England, Manager, Public Involvement & Real Estate Services, (512) 322-6442, Angela Rodriguez, Assistant City Attorney, Law Department (512) 974-6032.

Council Committee, Boards and Commission Action:

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

Additional Backup Information:

The Transmission Circuit #975 upgrade project requires the relocation of a portion of the existing transmission circuit out of the Missouri-Kansas Railroad ("MOKAN") corridor. That portion of transmission circuit needs to be upgraded from a 2000 amp rating to 3000 amps to increase reliability and safety. In addition, the line is currently inaccessible for construction and its current location does not meet National Electric Safety Code clearance requirements. The new location along Howard Lane will provide increased safety and reliability, as well as improved connectivity within the overall electric service system.

The current fair market value of the tract, as determined by an independent, third-party appraiser, is \$55,164. The City attempted to purchase the needed property however; the City and the property owner were unable to agree on its value. Therefore, the Law Department requests authorization to file an action in eminent domain on behalf of the City of Austin.

Proposed Easements at Hemmasi/Austin IRR Tacoma

- Parcels
- Existing Easements
- Proposed Easements

2015 Aerial Imagery, City of Austin



*AE Public Involvement
& Real Estate Services*

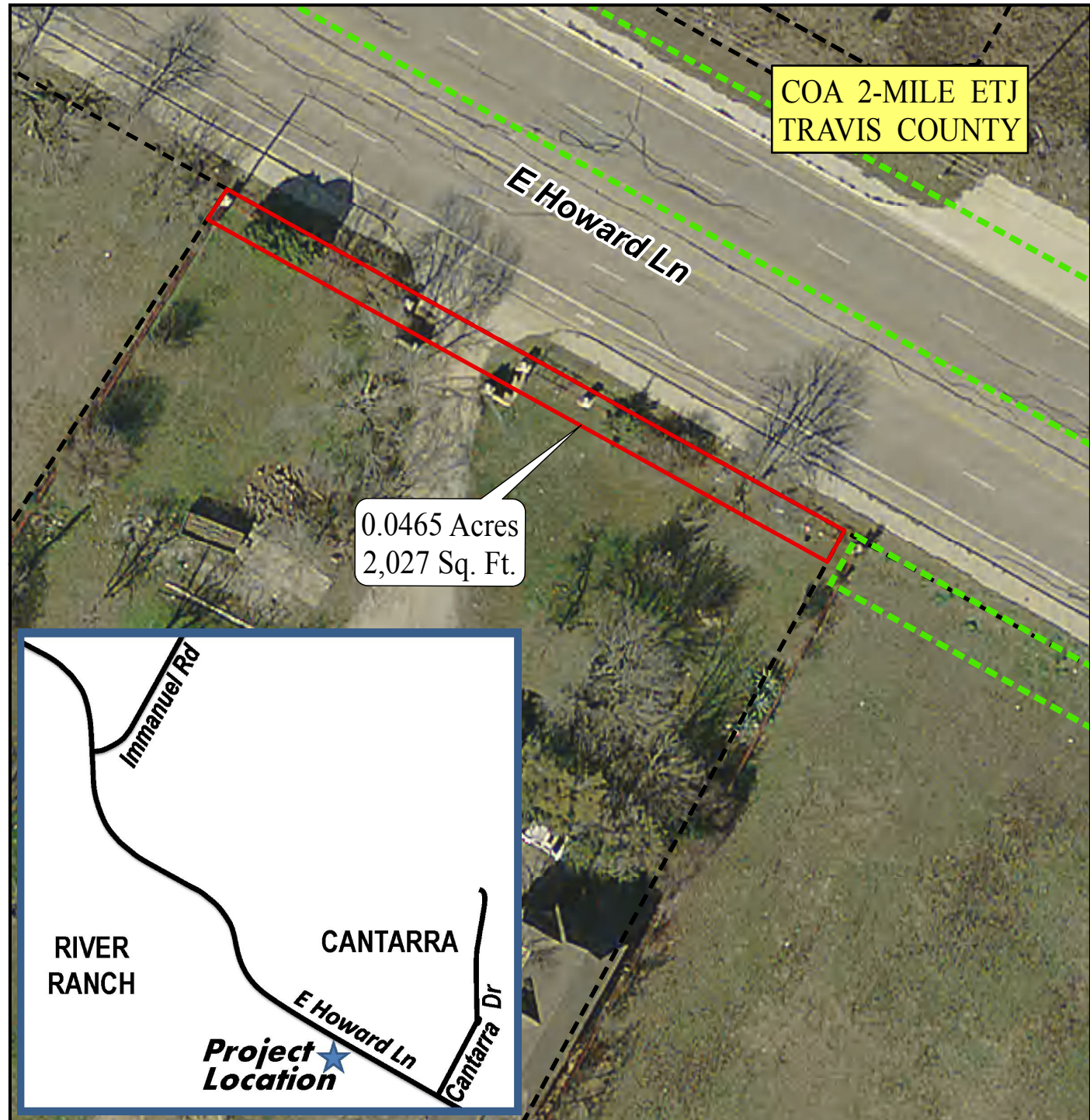


0 50 100 Feet

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.

Produced by ECervantes 1/27/2018



Posting Language

Authorize negotiation and execution of a cooperative contract with Software One, Inc., for a Microsoft Office 365 Enterprise License Agreement for all City departments, for a term of three years in an amount not to exceed \$23,231,000.

(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 for this procurement, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

All City departments.

Fiscal Note

Funding in the amount of \$7,076,966 is contingent upon approval of the proposed Fiscal Year 2018-2019 Operating Budgets of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Multiple cooperative purchase programs were reviewed for these services. The Purchasing Office has determined this contractor best meets the needs of the departments to provide the 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 Gil Zilkha, at 512-974-2696 or Gil.Zilkha@austintexas.gov.

Council Committee, Boards and Commission Action:

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

August 8, 2018 - To be reviewed by the Water and Wastewater Commission.

Additional Backup Information:

The contract is for a new Microsoft Enterprise License Agreement (MSELA) to purchase various Microsoft Cloud products for use in all City departments. Cloud computing is internet-based computing in which large groups of remote servers are networked to allow centralized data storage and online access to computer services and resources. Office 365 is the Microsoft Office suite in the Cloud. The City will be able to continue moving forward with mobility and features that will allow more advantages for remote office work. Office 365 is a subscription service that keeps users up-to-date with the latest versions of Office applications.

Some of the functionality gained for each user through this contract for Office 365 includes:

Microsoft Office

- Latest Office and Office Web Apps (Word, Excel, PowerPoint)

- Desktop, phone, tablet, and web versions

SharePoint Online

- Online and offline file services
- Share documents with external partners
- E-Discovery for public information requests and subpoenas

Microsoft Skype for Business

- Secure instant messaging and presence
- Online meeting and desktop sharing
- Person to person video conferencing
- Seamless integration with Outlook address book

Exchange Online

- 50GB mailbox, unified messaging
- Unlimited archiving
- Email encryption
- E-Discovery for public information requests
- Data loss prevention (Social Security numbers, credit card numbers)
- Rights management for legal and compliance issues

Office 365 meets all compliance requirements including the Health Insurance Portability and Accountability Act and the Criminal Justice Information Systems security requirements for infrastructure and productivity. Both security and service continuity will be enhanced with this contract.

The implementation of Office 365 has facilitated the goal of relieving traffic congestion in central Austin by enabling mobility; providing numerous tools by which employees can continue to work productively and collaboratively from anywhere.

Many states and United States cities are currently using or in the process of deploying Office 365. Cities using this productivity platform include New York, Chicago, Phoenix, San Diego, Dallas, and San Jose.

The annual amount of the contract is based on the 15,490 employees, contractors and partners that have accessed the network and the existing software licenses. This contract authorization includes a five percent contingency amount for new products and additional licenses to be added as required, with the additional costs to be billed upon an annual “true up” at the end of each contract year.

The City’s MSELA will be based on a cooperative contract through the State of Texas Department of Information Resources (DIR), which establishes competitively bid contracts that can be utilized by the State and other government agencies through a Cooperative Agreement. The DIR cooperative contracts save taxpayer dollars by leveraging the State’s volume-buying power to drive down costs on hundreds of technology contracts through a streamlined cooperative purchasing program.

The City currently has a Microsoft Office 365 enterprise agreement in place which expires on September 30, 2018, so it is critical that this new contract is in place before expiration.

Posting Language

Authorize an amendment to the existing contract with Sirius Computer Solutions, Inc., to provide additional International Business Machines' software licenses, support, and related services, for an increase in the amount of \$5,898,463, for a revised contract amount not to exceed \$18,225,143.

(Note: This contract 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 contract, there were an insufficient number of M/WBEs; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$500,000 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:

Contract Amendment.

Prior Council Action:

May 18, 2017 – Council approved original contract, item 27, on an 11-0 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:

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

Additional Backup Information:

In 2017, a contract was established with Sirius Computer Solutions, Inc. for the purchase of International Business Machines (IBM) software, software maintenance and support, and managed services and professional services related to the use of IBM software products by Austin Energy. The products and services covered by the contract provides Austin Energy with critical software, consulting, installation, and customizations for the management of business applications and infrastructure systems. Applications and services provided under the contract includes utility asset and inventory management, customer-facing websites, web analytics, identity and access management for applications, software testing, applications security, training, application integration, web application platform, and other business and technology processes.

Additional funding is needed for continued support, maintenance, upgrades and software compliance as well as critical projects related to cybersecurity and other utility business operations. Austin Energy's need for licenses, projects, and specialized services has been greater than originally anticipated. If this request is not

approved, the support and maintenance services required to effectively manage Austin Energy's business applications and infrastructure systems will not be available.

The contract was executed under the State of Texas Department of Information Resources (DIR) cooperative purchase program. The DIR cooperative establishes competitively bid contracts that may 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.

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.	\$12,326,680		\$12,326,680
Proposed Amendment			\$5,898,463	\$ 5,898,463
TOTALS	3 yrs.	\$12,326,680	\$5,898,463	\$18,225,143

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

Posting Language

Authorize award and execution of a contract with Government Scientific Source Inc., to provide a spectrometer with accessories and services, in an amount not to exceed \$100,402.

(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 and services 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 CAK1000 for these goods and services. The solicitation issued on April 2, 2018 and it closed on April 26, 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: Terry Nicholson, at 512-322-6586 or Terry.Nicholson@austinenergy.com.

Council Committee, Boards and Commission Action:

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

Additional Backup Information:

The contract will provide Austin Energy with a new spectrometer to meet regulatory requirements for soil and water analysis and to maintain plant machinery by evaluating wear on metal parts. The instrument currently in use is 10 years old. Repair parts are no longer available and it is no longer supported by the manufacturer.

Council Date: August 9, 2018

Posting Language

Approve an ordinance amending the Fiscal Year 2017-2018 Austin Energy Operating Budget (Ordinance No. 20170913-001) to decrease the Austin Energy Operating Fund Ending Balance by \$556,694 and increase the Conservation Rebates expenses by \$556,694 to provide additional funding for the Austin Energy Customer Assistance Program's Low Income Weatherization program.

Fiscal Note

Funding in the amount of \$556,694 is available from the ending balance of the Fiscal Year 2016-2017 Operating Budget of Austin Energy.

Prior Council Action:

September 13, 2017 – Approved the Fiscal Year 2017-2018 Operating Budget.

For More Information:

Jeff Vice, Director, Local Government Relations (512) 322-6087; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138. Debbie Kimberly, Vice President, Customer Energy Solutions (512) 322-6327.

Council Committee, Boards and Commission Action:

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

Additional Backup Information:

Austin Energy is seeking approval of a budget amendment to provide additional appropriations and related funding for the Customer Assistance Program (CAP) low income weatherization expenses that remained unspent during Fiscal Year 2016-2017. This roll-over of funds was a recommendation of a stakeholder group, the Low Income Consumer Advisory Task Force, in 2015, and has since been approved by Council in 2016 and 2017. The total unspent amount in Fiscal Year 2016-2017 for the CAP low income weatherization program inception-to-date is \$556,694.