



## Water & Wastewater Commission Review and Recommendation

<b>Commission Meeting Date:</b>	April 10, 2019
<b>Council Meeting Date:</b>	April 25, 2019
<b>Department:</b>	Purchasing
<b>Client:</b>	Terry Delaney, Danielle Lord, Anna Bryan-Borja, and David Anders
<b>Agenda Item</b>	
Authorize award of a multi-term contract with <b>JM Engineering, LLC (WBE)</b> , to provide maintenance and repair services for variable frequency drives, for up to five years for a total contract amount not to exceed \$820,000. This is a multi-department contract. Austin Water's requested authorization is \$175,000.	
<b>Amount and Source of Funding</b>	
Funding in the amount of \$17,500 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.	
<b>Purchasing Language:</b>	The Purchasing Office issued an Invitation for Bids (IFB) 8100 MMO1007 for these services. The solicitation issued on December 17, 2018 and it closed on January 8, 2019. Of the three 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: <a href="#">Solicitation Documents</a>
<b>Prior Council Action:</b>	N/A
<b>Boards and Commission Action:</b>	April 10, 2019 – To be reviewed by the Water and Wastewater Commission.
<b>MBE/WBE:</b>	This solicitation 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 solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

The contract is for the maintenance, repairs, and repair parts for various variable frequency drives (VFDs) for the heating, refrigeration, and ventilation equipment at Aviation and Austin Water facilities. The VFDs are used to vary the motor speed for buildings' chilled and heating water pumps, condenser water pumps, cooling tower fans, and air handling units to reduce the amount of electricity consumed to cool and heat buildings. VFDs also reduce the amount of water and conditioned air that is needed to provide an acceptable level of comfort in the buildings and facilities.

The current contract for these services expires May 5, 2019. The authorization amounts for the contract were determined based on historical spending and departmental estimates for future needs. The recommended vendor is a City certified Woman-Owned Business Enterprise.

**Contract Detail:**

<b>Contract Term</b>	<b>Length of Term</b>	<b>Current Authorization</b>
Initial Term	3 Years	\$492,000
Extension Option 1	1 Year	\$164,000
Optional Extension 2	1 Year	\$164,000
<b>TOTAL</b>	<b>5 Years</b>	<b>\$820,000</b>

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

**PRICE ANALYSIS**

- a) Solicitations: 224 notices were sent, including 11 MBE and 1 WBE firms, 3 offers were received with no M/WBE firms responding.
- b) Cost Analysis: Maintenance costs per unit will decrease by 47% from the previous contract.