



**Purchasing Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 14
AGENDA DATE: Thu 04/22/2004
PAGE: 1 of 2**

SUBJECT: Authorize execution of amendment No. 1 to the 12-month service agreement with AMTECH LIGHTING SERVICES, Austin, TX and AMERICAN LIGHT INC., Austin, TX for commercial lighting retrofit services in an amount not to exceed \$2,141,622.30 for the initial contract term and in an amount not to exceed \$141,622.30 for each of the two 12-month extension options, for a revised contract amount not to exceed \$3,000,000 for the initial contract term, and \$1,000,000 for each of the two extension options, and authorize an additional third 12-month extension option in an amount not to exceed \$1,000,000, for a revised total contract amount not to exceed \$6,000,000.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$1,427,748.20 is available in the Fiscal Year 2003-2004 Amended Operating Budget of the Electric Utility Department. Funding for the remaining four months of the initial term and the extension options is contingent upon funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing
DEPARTMENT: for Austin Energy;

DIRECTOR'S
AUTHORIZATION: Vickie Schubert

FOR MORE INFORMATION CONTACT: Carole Martindale, Purchasing Mgr./322-6155

PRIOR COUNCIL ACTION: Contract approved 8/7/03

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: American Light: 19.08% MBE, 6.37% WBE subcontracting participation. Amtech Lighting Services: 11.70% MBE, 0% WBE subcontracting participation.

On August 7, 2003, Council approved a 12-month service agreement with Amtech Lighting Services (Amtech) and American Light Inc. (American), for lighting retrofit services for commercial buildings, including buildings for government agencies in the Austin Energy service area. The agreement provides for Amtech and American to conduct technical audits of lighting systems in buildings and perform installation of or modification to lighting systems in commercial buildings. The goals of the program are to reduce energy consumption and peak demand, and to lower utility bills through lighting efficiency improvements. Customers are billed for all work upon completion.

This modification will allow Austin Energy to provide additional services that have been requested by Austin Independent School District, Travis County, and Capital Metro, and allow Austin Energy to accommodate future requests by other commercial or governmental customers.



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	<u>Approved</u>	<u>Requested</u>	<u>Revised Total</u>
Initial Contract term (8/03 – 8/04)	\$858,337.70	\$2,141,622.30	\$3,000,000
First Extension (if exercised)	\$858,337.70	\$ 141,622.30	\$1,000,000
Second Extension (if exercised)	\$858,337.30	\$ 141,622.30	\$1,000,000
Third Extension (if exercised)	\$0	\$1,000,000.00	\$1,000,000
Total Contract Amount	\$2,575,013.10	\$2,424,866.90	\$6,000,000

Austin Energy's purchasing resolution allows for contract modifications in excess of 25%. This modification is recommended for the following reasons:

1. There were only two bidders for the original solicitation, and both were included in a combined award.
2. There is no increased cost to Austin Energy as the customer reimburses all costs.
3. This contract provides subcontracting opportunities to certified MBEs and WBEs as approved by DSMBR. American Light: 19.08% MBE, 6.37% WBE; Amtech Lighting Services: 11.70% MBE, 0% WBE subcontracting participation included in the original contract approval. The same subcontracting participation will apply to the amendment.



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