

SUBJECT: Authorize award, negotiation, and execution of six 24-month contracts with **AIRTECH ENERGY SYSTEMS, INC.**, Austin, TX; **CLIMATE MECHANICAL, INC.**, Austin, TX; **GO GREEN SQUADS**, Austin, TX; **MCCULLOUGH HEATING & AIR CONDITIONING, INC.**, Austin, TX; **VALDEZ REMODELING & WEATHERIZATION, INC.**, Austin, TX; and **WEATHERIZATION MANAGEMENT GROUP**, Dallas, TX for weatherization measures and improvement services in an amount not to exceed \$4,825,490 each and combined.

AMOUNT & SOURCE OF FUNDING: Funding is available from the Department of Energy (DOE) through the Texas Department of Housing and Community Affairs (TDHCA) as a result of the American Recovery and Reinvestment Act (ARRA) of 2009 for the grant period of October 1, 2009 to August 31, 2011. No match is required.

FISCAL NOTE: A fiscal note is attached.

PURCHASING: Best six qualification statements of ten received.

PRIOR COUNCIL ACTION: November 19, 2009 – Approved acceptance of \$2,900,000 grant from DOE amending the budget and approved related Interlocal Agreement with Travis County

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on 3/22/10.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority –Owned and Women-Owned Business Enterprise Procurement Program) by meeting the goals with 14% MBE and 2% WBE subcontractor participation.

FOR MORE INFORMATION CONTACT: Shawn Harris, Supervising Sr. Buyer/505-7351

This contract is for the purchase of weatherization measures/improvements for 500 homes annually for two years. The National Energy Audit (NEAT) and the Manufactured Home Energy Audit (MHEA) systems will recommend weatherization retrofit measures/improvements tailored to a particular home by determining the appropriate building tightness levels, carbon monoxide levels, and comprehensive air infiltration levels and ensures that all approved weatherization measures/improvements identified by the National Energy Audit (NEAT) and the Manufactured Home Energy Audit (MHEA) systems are completed as identified within the solicitation.

The weatherization measures/improvements performed on each home will maintain and improve energy efficiencies that can be shown are cost-effective by ensuring that the discounted savings-to-investment ratio (SIR) is greater than or equal to one. Improvements would include measures such as caulking, adding insulation or duct work and the tune-up, repair or replacement of heating and cooling systems.

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This federal grant is for \$5,800,000 for the 24 month grant period. On November 19, 2009, Council approved the acceptance of \$2,900,000 of grant funds for the 2009-2010 fiscal year from the Department of Energy (DOE) through the Texas Department of Housing and Community Affairs (TDHCA) as a result of the American Recovery and Reinvestment Act (ARRA) to weatherize homes for low income, elderly, and disabled customers within Austin Energy's service area. Austin Energy will bring to Council a request for the acceptance of the \$2,900,000 for the second year of grant funding for the 2010-2011 budget. Council also approved an Interlocal Agreement between the City of Austin/Austin Energy and Travis County allowing the sharing of expertise and resources including those provided by these contractors.

This Federal Weatherization Assistance Program complements Austin Energy's existing Free Home Energy Improvement program which is on-going. The goals of both programs are to increase the energy efficiency of the home, increase the comfort level of the homes inhabitants, reduce energy consumption, lower utility bills, and improve the health and safety of residents.

A team of Austin Energy and Travis County employees with expertise in weatherization and testing scored the qualifications based on staff experience, number of assessments performed, testing experience and training, certifications and licenses. The team unanimously chose the top six from those submitted as the best qualified firms.

MBE/WBE solicited: 34/8

MBE/WBE bid: 1/1

M/WBE Summary

Participation goals stated in the solicitation were 14% MBE and 2% WBE. The recommended firms provided MBE/WBE Compliance Plans that met the goals of the solicitation and were approved by the Small and Minority Business Resources Department.

Recommended Firm : AIRTECH ENERGY SYSTEMS, INC.

NON MBE/WBE – PRIME
Airtech Energy Systems, Inc.

MBE Subcontracting Participation

Hispanic Subcontracting
(MBE) Cool Technologies, Inc. (weatherization Services)

WBE Subcontracting
(MWB) All Points Inspection Services (weatherization Services)

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Recommended Firm : CLIMATE MECHANICAL, INC.

NON MBE/WBE – PRIME
Climate Mechanical, Inc.

MBE Subcontracting Participation

African American Subcontracting
(MWB) All Points Inspection Services (weatherization services)

NON MBE/WBE Subcontracting
GG's Construction (weather & water proofing)

Recommended Firm : GO GREEN SQUADS

NON MBE/WBE – PRIME
Go Green Squads

MBE Subcontracting Participation

African American Subcontracting
(MBE)Guthrie Real Property Construction Management (weatherization Services)

Hispanic Subcontracting
(MBE) ATX Drywall & Painting (weatherization Services)
(MBE) Amado Guerrero & Company (weatherization Services)

WBE Subcontracting
(WBE) Paradigm Contracting (weatherization Services)

NON MBE/WBE Subcontracting
GG's Construction (weatherization Services)
Castillo Services (weatherization Services)
Eco-Home Energy Solutions (weatherization Services)

Recommended Firm : MCCOLLOUGH HEATING & AIR CONDITIONING

NON MBE/WBE – PRIME
McCullough Heating & Air Conditioning

MBE Subcontracting Participation

Hispanic Subcontracting
(MBE) Cool Technologies, Inc. (weatherization Services)
(MWB) Valdez Remodeling & Weatherization, Inc. (weatherization Services)

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WBE Subcontracting

(MWB) All Points Inspection Services (weatherization Services)

Recommended Firm : VALDEZ REMODELING & WEATHERIZATION, INC

MBE/WBE – PRIME

(MWB) Valdez Remodeling & Weatherization, Inc.

WBE Subcontracting

(WBE) Austin Lumber Company (weatherization Supplies)

(WBE) Bee Electric (Electric Supplies)

NON MBE/WBE Subcontracting

Modern Energy, Inc. (weatherization Supplies)

Recommended Firm : WEATHERIZATION MANAGEMENT GROUP

NON MBE/WBE – PRIME

Weatherization Management Group

MBE Subcontracting Participation

Hispanic Subcontracting

(MBE) G & H Construction (weather & water proofing)

NON MBE/WBE Subcontracting

Austin Plumbing Services & Repair (plumbing services)

PRICE ANALYSIS

- a. Adequate competition.
- b. Five hundred and twenty-five notices were sent, including thirty-four MBEs and eight WBEs. Ten Qualification Statements were received, including one MBE and one WBE.

APPROVAL JUSTIFICATION

- a. Best evaluated qualification statements received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.

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Guilarte Real Property Management (MRE) - Austin, TX	K. Simon Construction, Inc. - Austin, TX	Quality Living Services, Inc. - Austin, TX	Efficient Green LLC Austin, TX	Valdez Remodeling & Weatherization, Inc. (WBE) - Austin, TX	Go Green Squads - Austin, TX	ArtTech Energy Systems, Inc. - Austin, TX	Climate Mechanical, Inc. - Austin, TX	Weatherization Management Group - Dallas, TX	McCough Heating & Air Conditioning - Austin, TX
Combined Years Staff Experience: 0-1 Yr = 1 point 1-2 Yr = 2 points 3-4 Yr = 3 points 5+ Yr = 5 points	*	**	***	5	5	5	5	5	5
Residential Assessments Performed: 0-75 = 2 points 76-100 = 4 points 101-150 = 6 points 151-200 = 8 points 201+ = 15 points	*	**	***	8	6	15	15	8	15
Multifamily complex type Assessments Performed: 0-25 = 2 points 26-75 = 4 points 76-100 = 6 points 101-150 = 8 points 151+ = 10 points	*	**	***	2	2	2	2	2	10
Number of years conducting blower door testing: 0-1 Yr = 2 point 1-2 Yr = 4 points 3-4 Yr = 6 points 5+ Yr = 10 points	*	**	***	10	10	10	10	10	10
Number of years conducting duct blaster testing: 0-1 Yr = 2 point 1-2 Yr = 4 points 3-4 Yr = 6 points 5+ Yr = 10 points	*	**	***	10	10	10	10	10	10
Number of years using audit software: 0-1 Yr = 2 point 1-2 Yr = 4 points 3-4 Yr = 6 points 5+ Yr = 10 points	*	**	***	2	2	2	2	6	2
Number of years performing weatherization related work: 0-1 Yr = 2 point 1-2 Yr = 4 points 3-4 Yr = 6 points 5+ Yr = 10 points	*	**	***	10	10	10	10	10	10
Number of years conducting combustion evaluations: 0-1 Yr = 2 point 1-2 Yr = 4 points 3-4 Yr = 6 points 5+ Yr = 10 points	*	**	***	10	10	10	10	10	10
Additional Certifications or licenses related to weatherization, building construction, building science, mechanical, plumbing, electrical 1 point for each, with max of 10 points	*	**	***	6	8	8	5	10	7
List of training related to weatherization, building construction, building science, mechanical, plumbing, electrical within past 5 years 1 point for each, with max of 10 points	*	**	***	3	5	2	5	7	5
TOTAL	*	**	***	66	68	74	74	78	84

* Non-Responsive, did not provide minimum required number of references or completed weatherization homes/residences

** Non-Responsive, did not submit compliance plan

***Non-Responsive, compliance plan not approved by DSMR