



**Electric Utility Commission  
November 16, 2009  
Town Lake Center, Shudde Fath Conference Room  
721 Barton Springs Road  
Austin, Texas**

**AGENDA**

The Electric Utility Commission may go into a closed session, if necessary, under Chapter 551 of the Texas Government Code to discuss or take action on a "competitive matter" of the Electric Utility Department as provided for under Section 551.086.

Reading and Action on Consent Agenda: Item 4 may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Commission Member.

- 1. CALL TO ORDER – 6:00 PM**
- 2. APPROVAL OF MINUTES**
- 3. CITIZEN COMMUNICATIONS**
- 4. NEW BUSINESS**  
Discussion and possible action on City Council agenda items related to Austin Energy
- 5. OLD BUSINESS**
  - a. Discussion and possible action on Austin Energy's proposed generation resource and carbon reduction plan
  - b. Discussion and possible action regarding amendments to the Federal Public Utility Regulatory Policy Act (PURPA)
  - c. Discussion and possible action to approve a proposed franchise agreement between Austin Energy and the City of West Lake Hills
- 6. STAFF BRIEFINGS AND REPORTS**
  - a. Monthly Reports – Upcoming Procurements, Customer Report
  - b. Update on Meeting M/WBE Goals
- 7. EXECUTIVE SESSION – Public Power Utility Competitive Matters, Section 551.086; Discuss matters relating to Austin Energy generation resources.**
- 8. FUTURE AGENDA ITEMS**
- 9. ADJOURNMENT**

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. If requiring Sign Language Interpreters or alternative formats, please give notice at least four days before the meeting date. Please call Toye Goodson Collins at Austin Energy at (512) 322-6450 for additional information. TTY users route through Relay Texas at 711.



**ELECTRIC UTILITY COMMISSION  
REGULAR MEETING MINUTES  
OCTOBER 19, 2009**

The Electric Utility Commission (EUC) convened in a regular meeting in the Shudde Fath Conference Room at 721 Barton Springs Road in Austin, Texas.

**1. CALL TO ORDER**

Phillip Schmandt, Chair, called the meeting to order at 6:00 p.m.

Commissioners in Attendance: Phillip Schmandt (Chair), Linda Shaw (Vice Chair), Gary 'Bernie' Bernfeld, Shudde Fath, Steve Smaha and Steven Taylor. Michael Webber was not present at the Call to Order, but arrived soon afterwards. A quorum was present.

Chair Schmandt welcomed new Commission member, Bernie Bernfeld.

**2. APPROVAL OF MINUTES**

The minutes for the September 14, 2009 meeting were approved on Commissioner Taylor's motion and Vice Chair Shaw's second, on a 6-0 vote.

Commissioner Webber arrived.

**3. CITIZEN COMMUNICATIONS**

David Ross addressed the Commission regarding problems he experienced with Austin Energy's customer service policies and procedures. J.J. Gutierrez, Customer Care VP, answered questions regarding procedures taken by the utility to communicate with customers prior to disconnection of services. She also reported that additional training for Customer Service Representatives was underway. Chair Schmandt suggested that, at a future meeting, the Commission review customer service policies and possibly make recommendations.

**4. PUBLIC HEARING**

A public hearing was held to review Austin Energy's recommendations regarding the 2007 amendments to the Federal Public Utility Regulatory Policies Act (PURPA). Andy Perny, Assistant City Attorney, outlined amendments to the Act. Suggestions by Chair Schmandt and Commissioner Bernfeld will be included in the final presentation to the Commission in November. There were no requests from the public to speak at the hearing.

**5. NEW BUSINESS**

- a. Action on City Council agenda items related to Austin Energy – The following Recommendations for Council Action (RCAs) were recommended for approval on consent, on Chair Schmandt's motion and Commissioner Fath's second, on a 7-0 vote: RCA 3 (solar rebate to Bull Creek Market) and RCA 7 (contract with Custom Crete for concrete).

RCAs 1, 2, 4, and 5 were pulled from the Consent Agenda, discussed and recommended on Commissioner Taylor's motion and Vice Chair Shaw's second, on a 7-0 vote.

(RCA 1 – acceptance of \$2.9 million ARRA grant for weatherization of homes; RCA 2 – interlocal agreement with Travis County for weatherization of homes; RCA 4 – contract

with BIS Tepsco for underground chilled water piping; and RCA 5 – contracts with three vendors for the collection of inactive delinquent utility accounts.)

RCA 6, an interlocal agreement with UT for an Austin Technology Incubator program, was also pulled from the Consent Agenda, discussed and recommended on Chair Schmandt's motion and Commissioner Fath's second, with Commissioner Webber abstaining, on a 6-0-1 vote.

- b. Discussion and action on an Ordinance amending the City Code relating to Tree Protection (Heritage Tree Ordinance) – Presentations were made by the City's Arborist Michael Embesi, Peter Cesaro of the Real Estate Council of Austin, and Greg Troxell and Michele McAfee of Austin Energy. The Commission approved Austin Energy's recommendation to the proposed Ordinance with changes, on Chair Schmandt's motion and Commissioner Fath's second, on a 7-0 vote.
- c. Discussion on a proposed franchise agreement between Austin Energy and the City of West Lake Hills – Andy Perny explained the proposed agreement with West Lake Hills. The Commission will make a final recommendation at their November meeting.
- d. The following meeting schedule for 2010 was approved on Commissioner Webber's motion and Commissioner Taylor's second, on a 7-0 vote:

January 25	July 19
February 22	August 16
March 22	September 20
April 19	October 18
May 17	November 15
June 21	December 13

## 6. **OLD BUSINESS**

Discussion of Austin Energy's proposed Resource and Climate Protection Plan to 2020 – Chair Schmandt suggested that the Commission make a decision following recommendations by the Austin Generation Resource Planning Task Force. He announced the Task Force, for which he serves as Chair, could vote on the recommendations as early as next week.

Cheryl Mele, Austin Energy Chief Operating Officer, provided answers to questions about the Fayette Power Plant, including production and Austin Energy's responsibility for minimum load. Commissioners requested an estimated heat rate curve. Roger Duncan, General Manager, encouraged Commissioners to submit questions regarding the generation plan to staff prior to the November meeting.

## 7. **REPORTS AND BRIEFINGS**

- a. Monthly Reports: Steve Machicek, Corporate Accounting Director, presented the Financial Report.

A list of Upcoming Procurements provided by Rosemary Ledesma, Purchasing Manager, was reviewed. Commissioner Webber requested more information about the costs associated with above vs. below ground infrastructure.

J. J. Gutierrez, Customer Care VP, presented a Summer Disconnect and DPA Report. She reported that 75% of customers in the Deferred Payment Arrangement program were current on payments. Austin Energy staff continues to meet with non-profit organizations representing low-income and elderly populations to provide updates and receive suggestions.

- b. Karl Rabago, Distributed Energy Services VP, presented revisions and proposed revisions to Austin Energy's Solar Rebate Program.
- c. David Orr, Customer Information System (CIS) Project Manager, provided a six-month update on the implementation of the CIS project.

**8. FUTURE AGENDA ITEMS**

Commissioners requested a comparison of underground and above-ground distribution, a review of customer service policies, an estimated heat rate curve for FPP and updated data in preparation for a discussion in December regarding the General Fund transfer.

**9. ADJOURNMENT**

Chair Schmandt adjourned the meeting without objection at 8:40 p.m.

**Requests for Council Action (RCAs) related to Austin Energy  
For Review by the Electric Utility Commission on November 16, 2009**

**AUSTIN ENERGY**

1. Authorize execution of a sponsorship agreement with AUSTIN HABITAT FOR HUMANITY, INC., for a 2010 Corporate Build of a Habitat for Humanity Home, in an amount not to exceed \$65,000. (12/10/09 Council Agenda; VICE)

**CONTRACT AND LAND MANAGEMENT**

2. Authorize execution of a supplemental agreement to the professional services agreement with WESTON SOLUTIONS, INC., Austin, TX, for additional engineering design and bid phase services for the Holly Street Power Plant Decommissioning Project, in an amount not to exceed \$142,844.81, for a total authorization not to exceed \$2,751,849.40. (11/19/09; GARRETT)

**PURCHASING**

3. Authorize award and execution of Amendment No. 2 to increase the contract amount to the requirements service contract with FOX, SMOLEN & ASSOCIATES, INC., Austin, TX, for the design and implementation of a public process for input on Austin Energy's long-range energy plan in an estimated amount not to exceed \$40,000 for a revised total contract amount not to exceed \$307,835. (12/10/09; D. SAENZ)
4. Authorize award and execution of a 12-month requirements service contract with GREATER TEXAS LANDSCAPES, INC., Austin, TX, for landscaping and grounds maintenance services for Austin Energy in an estimated amount not to exceed \$74,630, with four 12-month extension options in an estimated amount not to exceed \$74,630 per extension option, for a total estimated contract amount not to exceed \$373,150. (12/10/09; HARRIS)
5. Approve ratification of a contract with IVES CORPORATION, King of Prussia, PA, for the purchase of parts to repair a main steam bypass valve on Sand Hill Energy Center's gas and steam turbine in an amount not to exceed \$53,950.70. (11/19/09; SWEENEY)
6. Authorize award, and execution of Amendment No. 3 to the contract with OPEN SYSTEMS INTERNATIONAL, INC., Minneapolis, MN, for the purchase of Generation Management System (GMS) software, annual maintenance and support, and implementation by increasing the extension options amounts for three and four in and estimated amount of \$150,000 each and by extending the contract term and adding three (3) additional extension options in an estimated amount not to exceed \$150,000 per extension option, for a revised total estimated contract amount not to exceed \$1,895,227. (12/17/09; SARRIA, SWEENEY)

7. Authorize award, negotiation, and execution of Amendment No. 1 to the requirements service contract with POWERPLAN Consultants Inc, Chicago, IL, for the purchase of computer software products and support in an estimated amount not to exceed \$1,000,000, for a revised and estimated contract amount total not to exceed \$1,663,500. (12/17/09; SARRIA, SWEENEY)
8. Authorize award, negotiation, and execution of Amendment No. 1 to the requirements supply and services contract with the STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES (DIR) Austin, TX, for the purchase of additional computer software products including implementation and consulting services, software, and maintenance and support for the IBM Maximo project by increasing the contract authorization in an estimated amount not to exceed \$6,000,000. (12/17/09; HART, SARRIA)
9. Authorize award and execution of a 12-month requirements service contract through STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES (DIR), with ADJACENT TECHNOLOGIES, INC., Austin, TX, for the purchase of document and records imaging services for Austin Energy, in an estimated amount not to exceed \$250,000. (12/17/09; ALBA, SARRIA)
10. Authorize award and execution of a 24-month service agreement with MASTEC NORTH AMERICA, INC., Austin, TX, for underground transmission and distribution maintenance services in an estimated amount not to exceed \$12,595,072 with three 12-month extension options in an estimated amount not to exceed \$6,297,536 per extension option, for a total estimated contract amount not to exceed \$31,487,680. (12/10/09; TROXELL)
11. Authorize award and execution of 12-month requirements supply contract with POWER SUPPLY INC, Austin, TX, for Pre-Assembled Distribution Capacitor Banks in an estimated amount not to exceed \$483,020 with four 12-month extension options in an estimated amount not to exceed \$483,020 per extension option, for an estimated total contract amount not to exceed \$2,415,100. (12/17/09; TROXELL)
12. Authorize award and execution of a 24-month requirements supply contract with KBS ELECTRICAL DISTRIBUTORS, INC, Austin, TX for station class surge arresters in an estimated amount of \$99,387 with three 12-month extension options in an estimated amount of \$49,694 per extension option, for an estimated total contract amount of \$248,468. (12/17/09; TROXELL)

**SUBJECT:** Authorize execution of a sponsorship agreement with AUSTIN HABITAT FOR HUMANITY, INC., for a 2010 Corporate Build of a Habitat for Humanity Home, in an amount not to exceed \$65,000.

**AMOUNT AND SOURCE OF FUNDING:** Funding is available in the Fiscal Year 2009-2010 Operating Budget of Austin Energy.

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

**FOR MORE INFORMATION CONTACT:** Roger Duncan, General Manager, 322-6157

**BOARD AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on November 16, 2009.

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This sponsorship will be used for the construction of one new single-family home, to be sold to a family successfully completing the Austin Habitat for Humanity, Inc (AHFH) homeownership preparation program. To be selected for the program the buyer's total household income will not exceed 50% of Austin's Median Family Income (currently \$36,650 for a family of four).

As sponsor, Austin Energy will receive recognition, advertising and volunteer opportunities associated with the ten-day build, and will promote its green building and energy efficiency programs while supporting the City's goals regarding affordable housing.

AHFH's Strategic Plan for 2009-2011 outlined a commitment to serve 150 families, through building 80 new homes and repairing 70 homeowner-occupied homes. AHFH's house construction goal for 2010 is 27 new homes and its sponsorship goal is \$1.7 million.

AHFH has been building affordable homes in Austin since 1985. AHFH is a non-profit 501(c)(3) that develops affordable housing and provides homeownership opportunities for families successfully completing its program. To construct its homes, AHFH utilizes labor, paid contractors and community sponsorships. Each of the prospective homebuyers provides 400 hours of "sweat equity" and attends 24 homeownership classes to qualify for the program. AHFH also provides a zero-interest rate mortgage to the homebuyer for a term of up to 35 years.

**Contract and Land Management  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE:** 11/19/09  
**PAGE:** 1 of 2

**SUBJECT:** Authorize execution of a supplemental agreement to the professional services agreement with WESTON SOLUTIONS, INC., Austin, TX, for additional engineering design and bid phase services for the Holly Street Power Plant Decommissioning Project, in an amount not to exceed \$142,844.81, for a total authorization amount not to exceed \$2,751,849.40.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$142,844.81 is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy.

**FISCAL NOTE:** A fiscal note is attached.

**FOR MORE INFORMATION CONTACT:** Rose San Miguel 322-6260, Rosie Truelove 974-3064, Robin Field 974-7064

**PRIOR COUNCIL ACTION:** February 28, 2008 – Approved planning and preliminary engineering services; April 2, 2009 – Approved engineering design and bid phase services.

**BOARD AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on November 16, 2009.

**MBE/WBE:** This contract was awarded in compliance with Chapter 2-9B of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals; 16.5% MBE and 14.2% WBE subcontractor participation.

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The retirement of the Holly Street Power Plant met goals set by the City Council and Austin Energy in the early 1990's to retire the plant at the earliest practical date, due to its location within a residential neighborhood that has increased in density over the 47-year life of the facility. Holly's four generating units were completed between 1960 and 1974 and were gas fired units with fuel oil back-up capabilities. Holly units 1 and 2 ceased operations in October 2004 and units 3 and 4 ceased operations in September 2007.

In February 2008, Austin Energy contracted with Weston Solutions, Inc. to provide engineering services for decommissioning the plant and plant related structures, and to prepare the site for future use. Phase 1, the planning/preliminary engineering phase which included site evaluation, plan development, a project implementation plan, cost estimates, and other items, has been completed. Phase 2 services for the decommissioning and demolition design and bidding phase services is currently underway. Phase 3 services associated with the construction oversight of the decommissioning and demolition activities will follow completion of Phase 2.

In April 2009, the City Council approved authorization for engineering design and bid phase services. This proposed authorization request would provide for additional design phase services necessitated by a haul route study, which identified street and below grade infrastructure issues that required the re-evaluation of the selected haul route and additional engineering design, pavement analysis and permitting



assistance to accommodate the changes to the haul route. The haul route is the route by which equipment from the Holly site will be removed. Austin Energy staff continues to meet monthly with the Holly Power Plant Neighborhood Decommissioning Committee to provide updates, receive suggestions and answer questions regarding the project.

Participation subgoals stated in the solicitation: 1.7% African American (MB); 9.5% Hispanic (MH); 5.3% Native American (MN) / Asian Americans (MA); 14.2% WBE. The recommended and alternate firms provided an M/WBE Compliance Plan that met the goals of the solicitation and were approved by the Small and Minority Business Resources Department. Participation to date is: 4.02% African American (MB); 4.33% Hispanic (MH); 2.89% Native American (MN) / Asian Americans (MA); 8.70% WBE.

## AUTHORIZATION HISTORY

<u>AMOUNT</u>	<u>DATE -- DESCRIPTION</u>
<b>\$600,000.00</b>	<b>02/28/08 (Council) -- Preliminary Engineering Report</b>
\$50,000.00	02/28/08 (Administrative Authority) -- Amendment for Preliminary Design Services
\$1,959,281.50	04/02/09 (Council)-- Amendment for Design and Bid Phase Services
<i>\$142,844.81</i>	<i>Proposed (Council) -- Amendment for Additional Design and Bid Phase Services</i>
<b>\$2,752,126.31</b>	<b>Total Contract Authorization</b>

## CONTRACT HISTORY

<u>AMOUNT</u>	<u>DATE -- DESCRIPTION</u>
<b>\$599,999.45</b>	<b>07/11/08 -- Original Professional Services Agreement for Preliminary Design Services</b>
\$20,375.68	08/22/08 -- SA #1 -- Additional Preliminary Design Phase Services for development of equipment sale web site and additional laboratory services.
\$29,347.96	03/02/09-- SA #2 -- Additional Preliminary Design Phase Services for project management, community relations support and equipment sales support.
\$1,959,281.50	04/08/09--SA #3 -- Amendment for Design and Bid Phase Services
<i>\$ 142,844.81</i>	<i>Proposed-- SA #4 -- Amendment for Additional Design and Bid Phase Services</i>
<b>\$2,751,849.40</b>	<b>Total Contract Expenditures</b>

**SUBJECT:** Authorize award and execution of Amendment No. 2 to increase the contract amount to the requirements service contract with FOX, SMOLEN & ASSOCIATES, INC., Austin, TX, for the design and implementation of a public process for input on Austin Energy's long-range energy plan in an estimated amount not to exceed \$40,000 for a revised total contract amount not to exceed \$307,835.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$40,000 is available in the Fiscal Year 2009-2010 Operating Budget of Austin Energy.

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

**PURCHASING:** Contract Amendment

**PRIOR COUNCIL ACTION:** April 28, 2008 – Approved contract for a 12-month term.

**BOARD AND COMMISSION ACTION:** Review by EUC and RMC

**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). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

**FOR MORE INFORMATION CONTACT:** Sandy Calles, Sr. Buyer/512-322-6487

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The contract with Fox, Smolen & Associates was approved to facilitate the public involvement process with community stakeholders to gather broad and inclusive community input to assist Austin Energy's long-range energy plan.

This public involvement process includes scheduling and facilitating public town hall meetings and employee meetings to gather input on Austin Energy's long-range energy plan. The town hall meetings provide an opportunity for discussion and assessment of all fossil fuel energy options, renewable energy technologies, alternative energy technologies, emerging energy technologies, energy efficiency programs, and customer-generated energy.

In addition, a website ([www.AustinSmartEnergy.com](http://www.AustinSmartEnergy.com)) is hosted and maintained by Fox, Smolen & Associates, whose services are needed for the duration of this public involvement process. The website is a forum for questions and answers, notices of meetings, information regarding Austin Energy and its long-range energy plant, presentations, and a blog.

Amendment No. 1 was to process an administrative increase in the amount of \$30,000 to allow the contractor to facilitate two additional town hall meetings, publicity, survey tabulations, reporting and presentations. This proposed Amendment No. 2 in the amount of \$40,000 will allow the vendor to continue participation in additional town hall meetings, as needed, and to host and maintain the website.

Contract Summary

Action	Description	Amount
Original Contract	Council approved contract	\$237,835
Amendment #1	Processed administrative increase	\$30,000
Proposed Amendment #2	Increase contract authorization	\$40,000
	Revised Total Contract Amount	\$307,835

**CITY OF AUSTIN**  
**RECOMMENDATION FOR COUNCIL ACTION**  
**VENDOR NAME: GREATER TEXAS LANDSCAPES, INC.**

**AGENDA DATE: 12/10/09**  
**PAGE 1 OF 3**

**SUBJECT:** Authorize award and execution of a 12-month requirements service contract with GREATER TEXAS LANDSCAPES, INC., Austin, TX for landscaping and grounds maintenance services for Austin Energy in an estimated amount not to exceed \$74,630, with four 12-month extension options in an estimated amount not to exceed \$74,630 per extension option, for a total estimated contract amount not to exceed \$373,150.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$55,973 is available in the Fiscal Year 2009-2010 Operating Budget of Austin Energy. Funding for the remaining three months of the original contract period and extension options is contingent upon available funding in future budgets.

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

**PURCHASING:** Best evaluated bid of eight bids received.

**BOARD AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on 11/16/09.

**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). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

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

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This contract will provide landscaping and grounds maintenance services for both Sand Hill Energy Center and Decker Creek Power Station. Services provided will include native landscape installation and maintenance, as well as mowing and grounds maintenance for these facilities, outlying areas, pump stations, lakeside perimeter, fence perimeter, and water intake areas. Allowances have been included for repairs to the irrigation systems and the replacement of dead or stressed plants.

The City intends to reduce emissions by promoting the use of cleaner-burning, reduced-emissions powered equipment on contracts for these types of services. The Austin Climate Protection Program staff have provided guidelines for emissions reduction, which were included in this project. These guidelines include the use of alternative fuels rather than gasoline in the large engine lawn equipment used. The City promotes the use of this equipment and other sustainable practices such as green gardening and the use of native plants by evaluating the bids based on a “Best Value” analysis. These “Best Value” solicitations are evaluated on cost, equipment, experience, certifications, and company practices where bidders are awarded additional points for providing more innovative, effective, and sustainable products and services. Greater Texas Landscapes, Inc (GTL) has been in business for 18 years providing landscaping/grounds maintenance services and locally services the Austin and surrounding areas. They will perform the work at a reasonable cost and services will include the use of propane

mowers in sizes ranging from 21" to 96". GTL is Green Garden certified through the City of Austin, and an active member in numerous industry associations including Texas Nursery and Landscape Association and the Professional Landcare Network.

MBE/WBE solicited: 21/8

MBE/WBE bid: 1/0

**BID TABULATION**

**IFB (Best Value) No. SMH0015REBID**

**Landscaping & Grounds Maintenance Services**

<b><u>Vendor</u></b>	<b><u>Total Bid – Annual Service</u></b>
Amazing Scapes Austin, TX	\$74,160.00
<b>Greater Texas Landscapes, Inc.</b> <b>Austin, TX</b>	<b>\$74,630.00</b>
Ecostar Lawn and Landscape Mgmt. Del Valle, TX	\$82,980.00
Clean Scape Austin, TX	\$98,798.00
Pampered Lawns Austin, Inc. Austin, TX	\$100,262.00
Andy J. Wilhelm San Marcos, TX	\$102,568.00
Advance Landscape Designs (MBE) Austin, TX	\$104,230.00
Estrada Landscape Austin, TX	\$298,900.00

A best value invitation for bid process was used for this solicitation. An Austin Energy team with expertise in landscaping and grounds keeping including sustainability evaluated the bids for the best value to the City. Evaluation criteria included experience, equipment, sustainable business practices and total evaluated cost. A bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

### **PRICE ANALYSIS**

- a. Adequate competition.
- b. One hundred eighty-nine notices were sent, including 21 MBEs and eight WBEs. Eight bids were received, including one MBE and no response from the WBEs.
- c. The pricing offered represents a 5 % decrease from the last contract award in May 2007.

### **APPROVAL JUSTIFICATION**

- a. Best evaluated bid received. Greater Texas Landscapes, Inc. is not the current provider for these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

**CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION  
VENDOR NAME: IVES CORPORATION**

**AGENDA DATE: 11/19/09  
PAGE 1 OF 1**

**SUBJECT:** Approve ratification of a contract with IVES CORPORATION, King of Prussia, PA, for the purchase of parts to repair a main steam bypass valve on Sand Hill Energy Center's gas and steam turbine in an amount not to exceed \$53,950.70.

**AMOUNT & SOURCE OF FUNDING:** Funding is available in the Fiscal Year 2009-2010 Operating Budget of Austin Energy.

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

**PURCHASING:** Critical Business Need

**BOARD AND COMMISSION ACTION:** To be reviewed by the EUC on 11/16/09.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority –Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.

**FOR MORE INFORMATION CONTACT:** Dolores Castillo, Sr. Buyer/322-6466

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On October 9, 2009, Austin Energy (AE) personnel identified a Critical Business Need after determining that a main steam bypass valve was not sealing properly. Main steam is leaking into the cold reheat steam system which is causing the system to overheat because the piping system is designed for much lower temperatures. This could result in premature failure and could be a potential safety issue.

Additionally, the main steam is disrupting the normal flow for the system leading to a reduction of the turbines efficiency. This is resulting in a loss of 2-5 megawatts of generating capability, as well as the potential for the loss of additional capacity and/or a required shut down. The lost generating capacity could cost AE up to \$1,000 per day in replacement energy costs from less efficient resources.

Several parts needed to repair the valve have an extremely long lead time of up to six months; therefore, to expedite the repair and minimize the lost generating capacity and potential safety issues, AE placed the order for the repair parts on October 15, 2009.

**SUBJECT:** Authorize award, and execution of Amendment No. 3 to the contract with OPEN SYSTEMS INTERNATIONAL, INC., Minneapolis, MN, for the purchase of Generation Management System (GMS) software, annual maintenance and support, and implementation by increasing the extension options amounts for three and four in and estimated amount of \$150,000 each and by extending the contract term and adding three (3) additional extension options in an estimated amount not to exceed \$150,000 per extension option, for a revised total estimated contract amount not to exceed \$1,895,227.

**AMOUNT & SOURCE OF FUNDING:** Funding is available in the fiscal Year 2009-2010 Capital Budget for Austin Energy. Funding for the remaining extension options is operating budget and contingent upon available funding in future budgets.

**FISCAL NOTE:** A fiscal note is attached.

**FOR MORE INFORMATION CONTACT:** Art Acuña, Senior Buyer/512-322-6307

**PRIOR COUNCIL ACTION:** August 9, 2007-Approved original 12-month contract with four 12-month extension options

**BOARD AND COMMISSION ACTION:** EUC 11/16/09

**PURCHASING:** Contract Amendment

**MBE/WBE:** This purchase will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

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On August 9, 2007, Council approved a 12-month requirements service contract with Open Systems International, in an estimated amount not to exceed \$795,000, with four 12-month extensions options in an estimated amount not to exceed \$57,750 for the first extension option, \$60,638 for the second extension option, \$63,670 for the third extension option, and \$66,854 for the fourth extension option, for a total estimated contract amount not to exceed \$1,043,912. The contract term is due to expire on September 30, 2012.

This proposed Amendment No. 3 will allow Austin Energy (AE) to extend the contract term by three years, expiring on September 30, 2015. The extension of services will allow AE QSE to use this Generation Management System (GMS) to meet ERCOT (Electric Reliability Council of Texas) mandated operational requirements in the ERCOT Nodal and Zonal Electric Market. This system enables Austin Energy to monitor control, and dispatch our generation resources to serve our native load, and to follow dispatch instructions from ERCOT, the state wide electric grid operator, as part of Austin Energy's responsibility towards the reliability of the state grid. This real-time 24x7 SCADA/GMS is a fundamental requirement for power generating entities for participation in the ERCOT market, and for compliance with NERC standards governing the reliability and operations of the state electric grid. The remaining extension options three and four will be increased by \$150,000 each. In addition options five, six and seven are estimated at annual expenditures of \$150,000 each.

As of October 1, 2009, Austin Energy's generation resources are controlled by OSI's Monarch Generation Management System (GMS). The GMS was originally acquired for the December 2008 start of the ERCOT Nodal market. Last year's delay of the Nodal Market (now planned for December 2010) created additional work requirements involving AE's plans to retire its previous GMS and perform upgrades on related systems. AE worked to modify the system to allow it to work in the existing ERCOT Zonal Market. This previously unscheduled project was accomplished much more quickly than a typical installation and required the collaboration of several internal and external partners. As a result of an expanded scope of work for the project at ERCOT's instruction, additional funding is needed. This additional funding enables



**CITY OF AUSTIN**  
**RECOMMENDATION FOR COUNCIL ACTION**  
**VENDOR NAME: OPEN SYSTEMS INTERNATIONAL, INC.**

**AGENDA DATE: 12/17/2009**  
**PAGE 1 OF 2**

Austin Energy to operate in either the zonal or nodal market, by simply switching applications and it enhances AE's readiness level for the upcoming re-start of the Nodal Market.

**Contract Summary**

Action	Description	Amount
Original Contract	Council approved 12-month contract in an estimated amount not to exceed \$795,000 with four 12-month extension options in an estimated amount not to exceed \$57,750 for the first extension option, \$60,638 for the second extension option, \$63,670 for the third extension option, and 66,854 for the fourth extension option	\$1,043,912
Amendment No. 1	1 <sup>st</sup> year extension option and processed administrative increase	\$51,315
Amendment No. 2	2 <sup>nd</sup> year extension option and processed administrative increase	\$50,000
Proposed Amendment No. 3	Increase contract authorization and extend contract term by three (3) additional years. Option 3 \$150,000 increase Option 4 \$150,000 increase Option 5 \$150,000 Option 6 \$150,000 Option 7 \$150,000	\$750,000
Total		\$1,895,227

**CITY OF AUSTIN**  
**RECOMMENDATION FOR COUNCIL ACTION**  
**VENDOR NAME: POWERPLAN CONSULTANTS**

**AGENDA DATE: 12/17/2009**  
**PAGE 1 OF 1**

**SUBJECT:** Authorize award, negotiation, and execution of Amendment No 1 to the requirements service contract with POWERPLAN Consultants Inc, Chicago, IL, for the purchase of computer software products and support in an estimated amount not to exceed \$1,000,000, for a revised and estimated contract amount total not to exceed \$1,663,500.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$1,000,000 is available in the fiscal Year 2009-2010 Capital Improvement Project Budget of Austin Energy.

**FISCAL NOTE:** A fiscal note is required.

**FOR MORE INFORMATION CONTACT:** Art Acuña, Senior Buyer/322-6307

**PRIOR COUNCIL ACTION:** 06/05/08 - Approval of initial agreement with POWERPLAN Consultants Inc for Nodal project.

**BOARD AND COMMISSION ACTION:** 11/16/09 - EUC

**PURCHASING:** Sole Source

**MBE/WBE:** This purchase will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established.

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In June of 2008, Austin Energy (AE) processed an acquisition to purchase Maximo and Powerplant software for ERCOT compliant utility cost accounting with one year of support and maintenance.

In May of 2009 AE processed a five year sole source contract for providing software maintenance, related upgrades, support and technical maintenance required for the application PowerPlant, AE's verifiable cost repository and reporting tool.

AE continues to develop and implement the necessary changes in order to be compliant with ERCOT requirements. AE has purchased configured and implemented Maximo and Powerplant software in order to develop and create the necessary integrations to Advantage, the City of Austin's accounting system. An initial phase in the compliancy effort was to perform an assessment of the needed requirements, identify available options and recommend a solution to achieve compliancy within the ERCOT mandated deadline of December 2010. A second phase for purchasing and implementing the recommended solution is now complete and is collecting adequate data to provide AE's baseline costs for as many months as possible to ERCOT before the market opens.

This proposed Amendment No. 1, to increase the contract Amount will assist in allowing a legacy; at-risk inventory management system (IMS) to be replaced by a Maximo Commercial off-The Shelf (COTS) software solution enterprise-wide. IN addition implementation of IMS will help in accomplishing the above ERCOT mandated requirements in a timely fashion.

**Contract Summary**

Action	Description	Amount
Original Sole Source Contract	On May 14, 2008 processed a five year sole source contract with PowerPlan for software upgrades and maintenance.	\$ 663,500
Proposed Amendment No. 1	Services for implementing Maximo Enterprise-wide inventory management system	\$1,000,000
Total		\$1,663,500

**SUBJECT:** Authorize award, negotiation, and execution of Amendment No. 1 to the requirements supply and services contract with the STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES (DIR) Austin, TX, for the purchase of additional computer software products including implementation and consulting services, software, and maintenance and support for the IBM Maximo project by increasing the contract authorization in an estimated amount not to exceed \$6,000,000.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$6,000,000 is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy.

**FISCAL NOTE:** A fiscal note is attached.

**FOR MORE INFORMATION CONTACT:** Art Acuña, Senior Buyer /512-322-6307

**PRIOR COUNCIL ACTION:** 10/1/09

**BOARD AND COMMISSION ACTION:** 11/16/09 - EUC

**PURCHASING:** Contract Amendment

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority – Owned and Woman Owned Business Enterprise Procurement Program). This contract is a Cooperative Purchase; therefore, it is exempted under Chapter 791 of the Texas Government Code and no goals were established for this solicitation.

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This proposed Amendment No. 1 is for the purchase of the replacement of AE's Inventory Management System (IMS).

Services:

- Consulting for legacy IMS replacement (data migration, integration, historical data access, documentation of business process modifications)
- Addition of Electric Service Delivery (ESD) to existing Maximo Inventory system
- Consulting for install of Transmission & Distribution (T&D) module in preparation and planning for future ESD usage
- End-user training assistance and Project Management consulting services

Product and Maintenance:

- Software and associated maintenance for integration, data migration analysis, and testing
- Extended Maximo software maintenance and support

AE-IBM Contract Summary

Original Contract with DIR	On June 5, 2008 AE Purchased Maximo 6.2 software, \$ 7,608,666 installation, technical services, training, and maintenance in estimated amount not to exceed \$7,298,380, with two 12-month extension options in estimated amounts not to exceed \$245,771 for the first extension option, and \$64,515 for the second extension option to meet the ERCOT deadlines.
Amendment No. 1	Purchase of implementation and consulting services related to Maximo upgrade from version 6.2 to

	version 7.1.	\$ 250,000
Amendment No. 2	Purchase of additional implementation and consulting services, software, and maintenance and support by increasing the contract authorization	\$ 6,000,000
Revised Total Estimated Contract Amount		<b><u>\$13,858,666</u></b>

DRAFT

CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION  
VENDOR NAME: ADJACENT TECHNOLOGIES, INC

AGENDA DATE: 12/17/2009  
PAGE 1 OF 2

**SUBJECT:** Authorize award and execution of a 12-month requirements service contract through STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES (DIR), with ADJACENT TECHNOLOGIES, INC., Austin, TX, for the purchase of document and records imaging services for Austin Energy, in an estimated amount not to exceed \$250,000.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$187,499.99 is available in the Fiscal Year 2009-2010 Operating Budget of Austin Energy. Funding for the remaining three months of the original contract period is contingent upon available funding in future budgets.

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

**BOARD AND COMMISSION ACTION:** Electric Utility Commission – 11/16/09

**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). This contract is a Cooperative Purchase; therefore, it is exempted under Chapter 791 of the Texas Local Government Code and no goals were established for this contract. However, SMBR will assist in the identification of subcontracting opportunities on a case by case basis.

**FOR MORE INFORMATION CONTACT:** Dolores Castillo, Sr. Buyer /322-6466

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This contract will enable Austin energy (AE) to purchase image processing and data conversion services in order to utilize an electronic file management system. Contractor will provide document conversion and indexing from AE's hardcopy records, documents and drawings to digital format as specified in the scope of work.

Conversion of existing utility records into an electronic format will realize immense cost savings in storage and transportation of existing records from an off-site service provider as well as provide much needed space for employees within Austin Energy facilities. Digital form will also improve access and ease of managing retention outlined in Texas Local Government Code Chapter 203 (Management and Preservation of Records) and destruction of utility records as defined in Chapter 2-11-10A (Destruction of Records) and Chapter 2-11-12 (Destruction of Original Records That Have Been Microfilmed or Stored Electronically) of the City Code. The digitized documents will also be imported into the new file management system once that project has been completed. This conversion and storage of records will fulfill the requirements of Chapter 205 (Electronic Storage of Records) of the Texas Local Government Code and Chapter 2-11-13 (Electronic Storage of City Records) of the City Code. Finally, conversion of certain vital or historical records to a digital form is required for Austin Energy to effectively protect itself from loss or damage of these records during a natural disaster or other type of emergency pursuant to Chapter 2-11-14 (Records with Historical Value) of the City Code.

Austin Energy currently has eight (8) business units requesting to utilize document imaging services during Fiscal Year 2009-2010. Participants in this project include business units from the Power Production, Environmental Care & Protection, Legal Services, Workforce Development & Risk Management, Onsite Energy Resources and Electric Service Delivery divisions. An informational meeting was held in early June to gauge participation in the project. Nearly twenty (20) business units showed preliminary interest in participating.

DRAFT

**CITY OF AUSTIN**  
**RECOMMENDATION FOR COUNCIL ACTION**  
**VENDOR NAME: MASTEC NORTH AMERICA, INC.**

AGENDA DATE: 12/10/2009

PAGE 1 OF 3

**SUBJECT:** Authorize award and execution of a 24-month service agreement with MASTEC NORTH AMERICA, INC., Austin, TX, for underground transmission and distribution maintenance services in an estimated amount not to exceed \$12,595,072 with three 12-month extension options in an estimated amount not to exceed \$6,297,536 per extension option, for a total estimated contract amount not to exceed \$31,487,680.

**AMOUNT AND SOURCE OF FUNDING:** Funding in the amount of \$64,000 is available in the Fiscal Year 2009-2010 Operating Budget of Austin Energy. Funding in the amount of \$5,183,947 is available in the Fiscal Year 2009-2010 Approved Capital Budget of Austin Energy. Funding for the remaining 14 months of the original contract period and extension options is contingent upon available funding in future budgets.

**FISCAL NOTE:** A fiscal note is attached.

**FOR MORE INFORMATION CONTACT:** Terry Nicholson, Senior Buyer/512-322-6586

**BOARD AND COMMISSION ACTION:** EUC scheduled for 11/16/09.

**PURCHASING:** Best evaluated bid of two bids received.

**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). 9.26% MBE and 19.8% WBE Subcontractor Participation.

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This contract will establish a 24-month service and maintenance agreement for Austin Energy's underground transmission and distribution facilities. These services will include combinations of Capital Improvement, operating and maintenance activities. The agreement will provide Austin Energy with ready access to contract labor and equipment for the performance of routine and emergency underground transmission and distribution civil work for which Austin Energy has no in-house resources. Service to be provided will primarily consist of civil construction and maintenance of the underground electrical distribution and transmission system, which may involve trench excavation, drilled pier installation, placement of conduit, cable, manholes, steel reinforced slab foundations and structures, roadway installations and repair, construction of civil and structural steel installations associated with transmission/distribution substations, street light installations and maintenance and right-of-way construction and maintenance.

MBE/WBE solicited: 17/8

MBE/WBE bid: 0/0

**BID TABULATION**  
**IFB BEST-VALUE No. TVN0039**

**Underground Transmission and Distribution Maintenance Services Agreement**

<b><u>VENDOR</u></b>	<b><u>TOTAL BID</u></b>	
MasTec North America, Inc. Austin, TX	\$12,595,072	
Pike Electric, Inc. Mount Airy, NC	\$13,001,502	
<b><u>Prime—MasTec North America, Inc.</u></b>	<b><u>\$8,639,586.00</u></b>	<b><u>68.59%</u></b>
<b><u>MBE Subcontractor Participation</u></b>	<b><u>\$1,166,200.00</u></b>	<b><u>9.26%</u></b>
<b><u>African American</u></b>	<b><u>\$58,000.00</u></b>	<b><u>0.46%</u></b>
Unism Development Co., Inc. Austin, TX Pier Drilling	\$16,400.00	0.13%
Troy Johnson/Comanche Express Services Austin, TX Hauling Services	\$41,600.00	0.33%
<b><u>Hispanic</u></b>	<b><u>\$792,200.00</u></b>	<b><u>6.29%</u></b>
JB Asphalt Paving & Grading LLC Austin, TX Maintenance & Repair, Street	\$591,000.00	4.69%
Prism Development, Inc Austin, TX Concrete	\$121,200.00	0.96%
Central Texas Barricade, Inc. Bastrop, TX Traffic Control Equipment & Accessories Rental	\$80,000.00	0.64%
<b><u>Asian</u></b>	<b><u>\$316,000.00</u></b>	<b><u>2.51%</u></b>
Benqwest, LLC City, State (desc. of commodity/service)	\$316,000.00	2.51%
<b><u>WBE</u></b>	<b><u>\$2,492,000.00</u></b>	<b><u>19.78%</u></b>
AFS Environmental, Inc. Cedar Park, TX Erosion Control Services	\$10,000.00	0.08%



**CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION  
VENDOR NAME: MASTEC NORTH AMERICA, INC.**

**AGENDA DATE: 12/10/2009**

**PAGE 3 OF 3**

Fuquay, Inc. Austin, TX Erosion Control Services	\$26,000.00	0.21%
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N-Line Traffic Maintenance Austin, TX Traffic Control Equipment & Accessories Rental	\$40,000.00	0.32%
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S & R Investments, Inc. Arrow Oil Company Austin, TX Fuel Management Services	\$316,000.00	2.51%
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The Personnel Store, Inc. Austin, TX General Construction Workers & Heavy Equipment Operators	\$2,100,100.00	16.67%
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<b><u>NON MBE/WBE</u></b>	<b><u>\$297,750.00</u></b>	<b><u>2.36%</u></b>
McKinney Drilling Company Buda, TX Caisson Shafts	\$181,750.00	1.44%

United Rentals Trench Safety Austin, TX Shoring and Reinforcement Services	\$116,000.00	0.92%
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**PRICE ANALYSIS**

A Best-Value invitation for bid process was used for this solicitation. An Austin Energy Team with expertise in the contract responsibilities, safety policies and financial analysis evaluated the bids for the best value to the City. Evaluation criteria included demonstrated applicable experience, safety policies and procedures, financial viability and total evaluated cost. A bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

- a. Adequate competition.
- b. One hundred ninety three notices were sent including 17 MBEs and eight WBEs. Two bids were received with no response from the MBEs or the WBEs.
- c. The pricing offered represents a 3.5% decrease to the last purchase made January 2004.

**APPROVAL JUSTIFICATION**

- a. Lowest bid
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

**CITY OF AUSTIN**  
**RECOMMENDATION FOR COUNCIL ACTION**  
**VENDOR NAME: POWER SUPPLY INC.**

AGENDA DATE: 12/17/09

PAGE 1 OF 2

**SUBJECT:** Authorize award and execution of 12-month requirements supply contract with POWER SUPPLY INC, Austin, TX for Pre-Assembled Distribution Capacitor Banks in an estimated amount not to exceed \$483,020 with four 12-month extension options in an estimated amount not to exceed \$483,020 per extension option, for an estimated total contract amount not to exceed \$2,415,100.

**AMOUNT AND SOURCE OF FUNDING:** Funding in the amount of \$402,517 is available in the Fiscal Year 2009-2010 Operating Budget of Austin Energy. Funding for the remaining two months of the original contract period and extension options is contingent upon available funding in future budgets.

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

**FOR MORE INFORMATION CONTACT:** Terry Nicholson/Senior Buyer, 512-322-6586

**BOARD AND COMMISSION ACTION:** To be reviewed at the 11/16/09 EUC Meeting.

**PURCHASING:** Lowest bid meeting specification of four bids received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

The agreement will provide Austin Energy (AE) with 600KVAR and 1200KVAR capacitor banks which are used to improve the stability and efficiency of the distribution network. The capacitor banks are used throughout the AE service area to help protect the equipment of both AE and its industrial and commercial customers, by controlling the power lost in the distribution system. Having the capacitor banks in place allows AE to use smaller wires and equipment while ensuring its customers are charged appropriately for their power supply.

MBE/WBE solicited: 10/11

MBE/WBE bid: 0/0

**BID TABULATION**

IFBTVN0038

Capacitor Banks

<b><u>VENDOR</u></b>	<b><u>ITEM 1</u></b>	<b><u>ITEM 2</u></b>	<b><u>ITEM 3</u></b>	<b><u>TOTAL BID</u></b>	
Power Supply, Inc. Austin, TX	\$12,380	\$289,200	\$181,440	\$483,020	
Stuart C. Irby Co. Austin, TX	\$13,779	\$328,542	\$7,204	\$349,525	*
KBS Electrical Distributors, Inc. Austin, TX	\$13,778	\$328,520	\$76,960	\$519,258	

**CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION  
VENDOR NAME: POWER SUPPLY INC.**

**AGENDA DATE: 12/17/09  
PAGE 2 OF 2**

Texas Electric Cooperatives Pflugerville, TX	\$25,289	\$563,906	\$319,920	\$909,115
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\* Stuart C. Irby's bid failed to meet specification and was therefore rejected.

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

**PRICE ANALYSIS**

- a. Adequate competition.
- b. Five hundred five notices were sent including 10 MBEs and 11 WBEs. Four bids were received with no response from the MBEs or WBEs.
- c. The pricing offered represents a 11% increase to the last contract award in May 2006. The main reason for the increase is the rising costs in transportation according to the manufacturer.

**APPROVAL JUSTIFICATION**

- a. Lowest bid.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

## CITY OF AUSTIN

## RECOMMENDATION FOR COUNCIL ACTION

VENDOR NAME: **KBS ELECTRICAL DISTRIBUTORS, INC.**

AGENDA DATE: 12/17/09

PAGE 1 OF 2

**SUBJECT:** Authorize award and execution of a 24-month requirements supply contract with KBS ELECTRICAL DISTRIBUTORS, INC, Austin, TX for station class surge arresters in an estimated amount of \$99,387 with three 12-month extension options in an estimated amount of \$49,694 per extension option, for an estimated total contract amount of \$248,468.

**AMOUNT AND SOURCE OF FUNDING:** Funding in the amount of \$82,823 is available in the Fiscal Year 2009-2010 Operating Budget of the Austin Energy. Funding for the remaining fourteen months of the original contract period and extension options is contingent upon available funding in future budgets.

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

**FOR MORE INFORMATION CONTACT:** Terry Nicholson, Senior Buyer/512-322-6586

**BOARD AND COMMISSION ACTION:** To be reviewed at the 11/16/09 EUC Meeting.

**PURCHASING:** Lowest bid meeting specification of 5 bids received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

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The contract will provide Austin Energy with station class surge arresters to be installed in substations to protect critical equipment such as transformers and switchgear against power surges, short term overvoltage and lightning. The surge arresters will be used to replace old surge arrestors as they wear out or are damaged by lightning or overvoltages that occur while protecting other equipment.

MBE/WBE solicited: 6/5

MBE/WBE bid: 0/0

### **BID TABULATION**

IFBTVN0042

Station Class Surge Arresters Annual Agreement

(Bids evaluated based on line-items 1 through 3 of 16 line-items total)

<b><u>VENDOR</u></b>	<b><u>EVALUATED ITEMS</u></b>	<b><u>TOTAL BID</u></b>
<b>KBS ELECTRICAL DISTRIBUTORS, INC.</b> Austin, TX	<b>\$49,260</b>	<b>\$ 99,387</b>
Texas Electric Cooperatives Georgetown, TX	\$38,678*	\$ 78,298
Power Supply, Inc. Austin, TX	\$40,500**	\$137,061

**CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION  
VENDOR NAME: KBS ELECTRICAL DISTRIBUTORS, INC.**

**AGENDA DATE: 12/17/09**

**PAGE 2 OF 2**

Priester, Mell & Nicholson Austin, TX	\$51,830	\$ 96,017
Techline, Inc. Austin, TX	\$53,435	\$107,568

- \* Texas Electric Cooperative's bid did not meet the specified "40" day lead-time requirement.
- \*\* Power Supply's bid did not meet the AE technical specification.

The annual estimate for the first 12 months of this contract is \$49,694. A copy of the complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

**PRICE ANALYSIS**

- a. Adequate competition.
- b. One hundred five notices were sent including 6 MBEs and 5 WBEs. Five bids were received with no response from the MBE's or WBE's.
- c. The pricing offered represents a 1% decrease from the last purchase made in September, 2007.

**APPROVAL JUSTIFICATION**

- a. Lowest bid.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

**UPCOMING PROCUREMENTS BY AUSTIN ENERGY**

	<b>PROJECT NAME</b>	<b>ESTIMATED AMOUNT</b>	<b>CUSTOMER</b>	<b>ESTIMATED COUNCIL</b>	<b>DESCRIPTION</b>
1	Fire Water Pump Repair	\$60,000	Power Production	December	Fire Water Pump Repair for Decker
2	Test boards	\$120,000	Distribution/Transmission	December	Test boards for the Kramer Substation; 3-phase meter test system
3	Shunt Capacitors	\$87,000	Distribution/Transmission	December	Used at substations for power factor correction and voltage regulation
4	Street Light Poles & Fixtures	\$343,000	Distribution/Transmission	December	Street Light Poles and Fixtures
5	Wood Telephone Pole Inspection and Repair	\$225,000	Distribution/Transmission	December	Inspection and repair services for wooden telephone poles
6	Oracle SPL Mobile workforce Management Upgrade	\$1,000,000	IT	December	Software licenses, implementation and training to the current system
7	Water Heater Timers	\$275,000	DES	January	Programmable digital water heater timers
8	Implementation of Phase 3 for MEC	\$5,600,000	On-Site Energy Resources	January	Purchase, installation of 2500 Ton Chiller for Mueller Energy Center

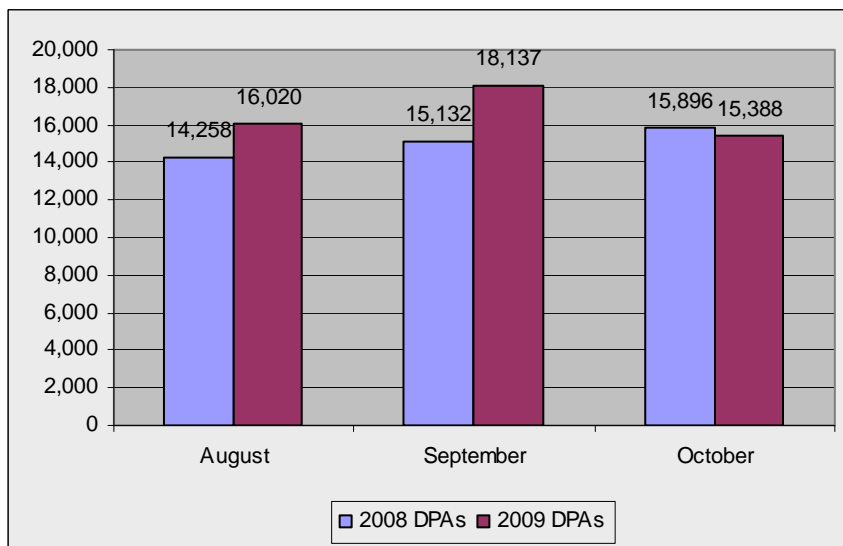


## Summer Disconnect and DPA Report 11/12/09

### Deferred Payment Agreements

Month	2008 DPAs	2009 DPAs
August	14,258	16,020
September	15,132	18,137
October	15,896	15,388
Monthly Total	45,286	49,545

Note: In October 2009 there was a 3% increase in the number of DPAs written over those written in 2008.



For the period August 21, 2009 through September 30, 2009, 12,925 summer 6-month DPAs were written. As of November 2, 2009, 59% of Summer DPAs are current on their terms.

### Residential Disconnections

Month	2008 Disconnects	2009 Disconnects
August	3,911	824
September	3,840	5,323
October	4,553	4,910
Monthly Total	12,304	11,057

