



## **Electric Utility Commission**

**January 24, 2011**

**6:00 p.m.**

**Town Lake Center, Shudde Fath Conference Room**

**721 Barton Springs Road, Austin, Texas**

### **AGENDA**

#### **Members:**

Phillip Schmandt, Chair

Shudde Fath

Steve Taylor

Linda Shaw, Vice Chair

Stephen Smaha

Michael E. Webber

Gary "Bernie" Bernfeld

**For more information, please visit:** [City of Austin Boards and Commissions Information Center](http://www.ci.austin.tx.us/cityclerk/boards_commissions/boards/bid27.htm)

([www.ci.austin.tx.us/cityclerk/boards\\_commissions/boards/bid27.htm](http://www.ci.austin.tx.us/cityclerk/boards_commissions/boards/bid27.htm))

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 Austin Energy as provided for under Section 551.086. Reading and Action on Consent Agenda: Items 4-13 may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Commissioner.

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#### **1. CALL TO ORDER**

**2. APPROVAL OF MINUTES** - Approve minutes of the December 13, 2010 regular meeting.

#### **3. CITIZEN COMMUNICATIONS: GENERAL**

#### **NEW BUSINESS**

4. Recommend approval of an ordinance amending City Code Chapter 15-9 as it relates to utility disconnection moratoriums during extreme weather conditions.
5. Recommend approval of an ordinance authorizing acceptance of \$52,500 in grant funds from the U.S. Department of Energy through Leonardo Technologies Inc., Morgantown, WV, and amending the Fiscal Year 2010-2011 Austin Energy Operating Budget Special Revenue Fund of Ordinance No. 20100913-002 to appropriate \$52,500 for programmatic support of the Central Texas Clean Cities Program. The grant period is Nov. 16, 2010 to Oct. 31, 2011.
6. Recommend issuance of a rebate to Del Valle I.S.D. for the installation of energy efficient equipment at Dailey Middle School in an amount not to exceed \$77,145.17.
7. Recommend authorization to award, negotiation, and execution of a contract with LIGHTHOUSE SOLAR, Austin, TX, for the design and installation of solar photovoltaic systems in an estimated amount not to exceed \$459,190.
8. Recommend authorization to award, negotiation, and execution of a 24-month requirements service contract with NALCO COMPANY, Naperville, IL, or one of the other qualified offerors to RFP No. SMH0114, for equipment supply and service for chemical water treatment programs at various city facilities in an estimated amount not to exceed \$3,000,000, with two 24-month extension options in an estimated amount not to exceed \$3,000,000 per extension option, for a total estimated contract amount not to exceed \$9,000,000.

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 three 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.

9. Recommend authorization to award and execution of a 24-month revenue contract with SOLOMON CORPORATION, Solomon, KS for the sale of obsolete transformers with an estimated revenue of \$731,836, with three 12-month extension options with an estimated revenue of \$365,918 per extension option, for a total estimated revenue of \$1,829,590.
10. Recommend authorization to award and execution of a contract with POWER SUPPLY, INC., Austin, TX for the purchase of Transient Recovery Voltage (TRV) capacitors for Austin Energy facilities in an amount not to exceed \$74,120.
11. Recommend authorization to award and execution of a contract with GLOBE ELECTRIC SUPPLY COMPANY, Houston, TX for the purchase of a Direct Current (DC) to Alternating Current (AC) three-phase inverter in an amount not to exceed \$62,626.00.
12. Recommend authorization to award and execution of a 12-month requirements service contract with GREATER TEXAS LANDSCAPE SERVICES., Austin, TX, or one of the other qualified bidders for IFB-BV No. TVN0054REBID, to provide grounds maintenance services in an estimated amount not to exceed \$81,675, with four 12-month extension options in an estimated amount not to exceed \$81,675 per extension option, for an estimated total contract amount not to exceed \$408,375.
13. Recommend authorization to award and execution of a 24-month requirements service contract on an as needed basis with USIC LOCATING SERVICES, INC., Carmel, IN for underground utility locating in an amount in an estimated amount not to exceed \$713,500 with three 12-month extension options in an amount not to exceed \$356,750 per extension option, for a total contract amount not to exceed \$1,783,750.
14. Recommend approval of an ordinance amending the electric rate schedule included in Exhibit A of Ordinance No. 20100913-004 to add a tariff for an electric vehicle public charging station pilot program.
15. Discussion and action on the Bylaws

#### **OLD BUSINESS**

16. Recommend approval of an ordinance amending the Fiscal Year 2010-2011 Austin Energy Capital Budget of Ordinance No. 20100913-003 to increase appropriations by \$17,000,000 for the Holly Street Power Plant decommissioning costs and amending the Fiscal Year 2010-2011 Austin Energy Operating Budget of Ordinance No. 20100913-002 to increase the Non-Fuel Operations and Maintenance by \$12,000,000 for the Holly Street Power Plant decommissioning account and decrease the Austin Energy Operating Fund ending balance by \$12,000,000.
17. Recommend authorization to negotiation and execution of a contract with TRC ENVIRONMENTAL CORPORATION, Austin, TX, or one of the other qualified offerors to RFP Solicitation No. CLMB301, for the Holly Street Power Plant Decommissioning Project for \$24,905,361, plus \$1,245,268 contingency for a total not-to-exceed amount of \$26,150,629.
18. Discussion and possible action regarding the addition of an energy efficiency cost recovery rider to Austin Energy's electric rate schedule
19. Discussion and possible action regarding City regulation of electric customer privacy.

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## **STAFF REPORTS AND BRIEFINGS**

20. Quarterly Financial Report

21. Customer Care & Billing Project

22. Austin Energy quarterly briefing, to include status of rate review, renewable energy planning, affordability forecasting, and near term strategies

23. **FUTURE AGENDA ITEMS** – Request agenda items including briefings related to the Upcoming Procurements Report

24. **ADJOURNMENT**



**ELECTRIC UTILITY COMMISSION  
REGULAR MEETING MINUTES  
DECEMBER 13, 2010**

**The Electric Utility Commission (EUC) convened in a regular meeting on December 13, 2010 in the Shudde Fath Conference Room at 721 Barton Springs Road in Austin, Texas.**

1. **CALL TO ORDER** – Linda Shaw, Vice Chair, called the meeting to order at 6:03 p.m. Commissioners in attendance: Linda Shaw, Vice Chair; Gary ‘Bernie’ Bernfeld, Shudde Fath, Stephen Smaha, Steve Taylor, and Michael E. Webber. Phillip Schmandt, Chair, was absent. Staff in attendance: Larry Weis, Cheryl Mele, Kerry Overton, Elaine Hart, Andy Perny, Mark Dreyfus, David Wood, Karl Rabago, Jawana J.J. Gutierrez, Pat Alba, Jackie Sargent, Ann Little, Fred Yebra, Jeff Vice, Rosemary Ledesma, Todd Shaw, Pat Sweeney, Patricia Alofsin, Jamie Mitchell, David Kutach, Drusilla Saenz, Adrienne Brandt, Chris Smith, Jill Maness, Laura Tyler, Darlene Berghammer, and Toye Goodson Collins of Austin Energy; and Paul DiGiuseppe of the Planning and Development Review Department.
2. **APPROVAL OF MINUTES** - Approve minutes of the November 15, 2010 regular meeting. **Motion to approve minutes by Commissioner Taylor, seconded by Commissioner Smaha, passed on a vote of 6-0.**
3. **CITIZEN COMMUNICATIONS** – Marcos DeLeon, Paul Hernandez, and Gavino Fernandez, representing the Holly neighborhood, and Mike Holder, representing TRC, spoke in favor of Item 6, the construction contract for the Holly Street Power Plant Decommissioning Project.

**NEW BUSINESS**

4. Approve an ordinance authorizing acceptance of \$86,774 in American Recovery and Reinvestment Act grant funds from the U.S. Department of Energy through the Texas Department of Housing and Community Affairs as the administering agency, and amending the Fiscal Year 2010-2011 Austin Energy Operating Budget Special Revenue Fund of Ordinance No. 20100913-002 to appropriate \$86,774 for weatherization of homes for low-income, elderly, and disabled customers within Austin Energy’s service area. **Motion to approve on consent by Commissioner Fath, seconded by Commissioner Bernfeld, passed on a vote of 6-0.**
5. Approve an ordinance amending the Fiscal Year 2010-2011 Austin Energy Capital Budget of Ordinance No. 20100913-003 to increase appropriations by \$17,000,000 for the Holly Street Power Plant decommissioning costs and amending the Fiscal Year 2010-2011 Austin Energy Operating Budget of Ordinance No. 20100913-002 to increase the Non-Fuel Operations and Maintenance by \$12,000,000 for the Holly Street Power Plant decommissioning account and decrease the Austin Energy Operating Fund ending balance by \$12,000,000. **Motion to approve by Commissioner Smaha, seconded by Commissioner Taylor, passed on a vote of 4-0-2, with Commissioners Smaha and Taylor abstaining. Motion: “I move to accept Items 5 and 6 with information to be passed to the Council that we have concerns about the large price differentiation between the first and second bids, given the very small point score difference between the first and second bids and the price difference, by our analysis, was about \$6.1 million, about 25% of the project cost.”**
6. Authorize negotiations and execution of a contract with the top-ranked firm, TRC Environmental Corporation, Austin, TX, for the Holly Street Power Plant Decommissioning

Project for \$24,905,361, plus \$1,245,268 contingency for a total not-to-exceed amount of \$26,150,629. **Motion to approve by Commissioner Smaha, seconded by Commissioner Taylor, passed on a vote of 4-0-2, with Commissioners Smaha and Taylor abstaining. Motion: “I move to accept Items 5 and 6 with information to be passed to the Council that we have concerns about the large price differentiation between the first and second bids, given the very small point score difference between the first and second bids and the price difference, by our analysis, was about \$6.1 million, about 25% of the project cost.”**

7. Authorize award and execution of a 24-month requirements service contract with TECHLINE, INC., Austin, TX, for network protector rebuild services for Austin Energy in an estimated amount not to exceed \$1,893,304, with two 12-month extension options in an estimated amount not to exceed \$946,652 per extension option, for a total estimated contract amount not to exceed \$3,786,608. **Motion to approve by Commissioner Bernfeld, seconded by Commissioner Fath, passed on a vote of 6-0.**
8. Authorize award and execution of a 24-month requirements supply contract with TECHLINE, INC., Austin, TX, for the purchase of network protectors for Austin Energy in an estimated amount not to exceed \$1,658,020, with two 12-month extension options in an estimated amount not to exceed \$829,010 per extension option, for a total estimated contract amount not to exceed \$3,316,040. **Motion to approve by Commissioner Bernfeld, seconded by Commissioner Fath, passed on a vote of 6-0.**
9. Authorize award and execution of a 12-month requirements supply contract with NATIVE TEXAS NURSERY, INC., Austin, TX, for the purchase of potted trees and plants for mitigation services in an estimated amount not to exceed \$52,925, with four 12-month extension options in an estimated amount not to exceed \$52,925 per extension option, for a total estimated contract amount not to exceed \$264,625. **Motion to approve on consent by Commissioner Fath, seconded by Commissioner Bernfeld, passed on a vote of 6-0.**
10. Authorize award, negotiation and execution of Amendment No. 4 to a contract with ECOLOGIC ANALYTICS, LLC., Bloomington, MN, for a software upgrade, implementation, support, and system enhancing services for the existing meter data management system for Austin Energy and increase the contract in an amount not to exceed \$200,000, and to increase the remaining three 12-month extension options in an amount not to exceed \$75,000 per option, for a revised total contract amount not to exceed \$2,180,343. **Motion to approve on consent by Commissioner Fath, seconded by Commissioner Bernfeld, passed on a vote of 6-0.**
11. Authorize award, negotiation, and execution of a contract with CULLIGAN OF AUSTIN, Austin, TX, or the other qualified offeror to RFP No. SMH0110REBID, for the purchase and installation of an upgraded demineralizer system at the Decker Creek Power Station in an estimated amount not to exceed \$2,094,750. **Motion to approve by Commissioner Bernfeld, seconded by Commissioner Fath, passed on a vote of 6-0.**
12. Authorize award, negotiation and execution of a 60-month requirements service contract with ATLAS COPCO COMPRESSORS LLC, Houston TX, for a preventive maintenance plan and repair services for Atlas Copco air compressors at Sand Hill Energy Center in an estimated contract amount not to exceed \$250,000. **Motion to approve on consent by Commissioner Fath, seconded by Commissioner Bernfeld, passed on a vote of 6-0.**

13. Authorize award and execution of a 22-month requirements supply contract through the TEXAS MULTIPLE AWARD SCHEDULE (TXMAS) cooperative purchasing program with MSC INDUSTRIAL SUPPLY CO., Melville, NY, to purchase industrial supplies and equipment in an estimated amount not to exceed \$2,062,500. (AE's share is \$123,750 for 22 months.) **Motion to approve on consent by Commissioner Fath, seconded by Commissioner Bernfeld, passed on a vote of 6-0.**
14. Authorize award and execution of a three-month requirements supply contract through The Cooperative Purchasing Network (TCPN) with GRAINGER, INC., Austin, TX, to purchase industrial supplies and equipment in an estimated amount not to exceed \$421,875, with four 12-month extension options in an estimated amount not exceed \$1,687,500 for each extension option, for a total estimated contract amount not to exceed \$7,171,875. (AE's share is \$101,250/year.) **Motion to approve on consent by Commissioner Fath, seconded by Commissioner Bernfeld, passed on a vote of 6-0.**

### **OLD BUSINESS**

15. Discussion and possible action on the revision of the Competitive Matters Resolution – Vice Chair Shaw invited speakers to comment on this subject. Carol Biedrzycki, Chris Searles, and Paul Robbins offered suggestions for corrections and further refinement to the resolution. **Motion to approve the proposed resolution with changes by Commissioner Bernfeld, seconded by Commissioner Webber, passed on a vote of 6-0. The changes include: a) incorporation of Ms. Biedrzycki's clerical corrections, b) in Section 6. Sunset Review, change from a one-year to a two-year expiration; c) in Section 7.v. the timeframe for making information available to the public for review prior to action by the Commission or Council should conform to City and State standards; and d) in Exhibit A: Competitive Matters, removal of the paragraph below Section 3.g. concerning residential customer information.** The Commission requested that further discussion of a 96-hour posting rule and of customer/privacy information occur as soon as possible.
16. Discussion and possible action on a possible Energy Efficiency Cost Recovery Rider – Commissioners discussed postponing action until the Chair's return next month. Staff discussed concerns regarding the Customer Information System, the current billing system. Commissioners requested the item be brought back for consideration at the next meeting.

### **STAFF REPORTS AND BRIEFINGS**

17. Imagine Austin Comprehensive Plan – Presentation by Paul DiGiuseppe of the Planning and Development Review Department.
18. Update on Austin Energy's Rate Review Process – Presentation by Larry Weis, General Manager.
19. **FUTURE AGENDA ITEMS** – Commissioner Smaha requested a report on Austin Energy's Power Factor policy. Commissioner Fath requested a breakdown of payments to the City not included in the General Fund transfer; "shared expenses" and allocations by department. In regards to the earlier discussion on the Competitive Matters Resolution, Commissioner Taylor requested that discussion of a possible 96-hour posting rule and customer/privacy issues continue in January.

### **20. ADJOURNMENT**

**CITY OF AUSTIN – AUSTIN ENERGY  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE: 1/27/2011**

**SUBJECT:** Approve an ordinance amending City Code Chapter 15-9 as it relates to utility disconnection moratoriums during extreme weather conditions.

**AMOUNT & SOURCE OF FUNDING:** There is no unanticipated financial impact.

**FISCAL NOTE:** A fiscal note is not required.

**FOR MORE INFORMATION CONTACT:** Jawana Gutierrez, Customer Care Vice-President, 322-6956.

**BOARD AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on January 24, 2011

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The proposed amendments to the Utility Service Regulations set forth in City Code Chapter 15-9 will revise the City's practices regarding utility service disconnections for residential customers during extreme cold weather.

The current extreme weather utility disconnection moratorium regulation, 15-9-109, is based on the actual or forecasted average temperatures being 32 degrees Fahrenheit or below over a 24 consecutive hour period. The proposed amendments would provide for utility disconnection moratoriums based on the forecasted low temperature of  $\leq 32$  degrees Fahrenheit or the forecasted low temperature of  $\leq 35$  degrees Fahrenheit with a  $\geq 50$  percent chance of precipitation.

Austin Energy is committed to ensuring the safety and well being of our customer base during periods of extreme weather. The proposed amendment will align City utility cold weather practices with the City of Austin's Office of Homeland Security and Emergency Management (HSEM) and the Cold Weather Shelter Program, which is implemented when Austin's predicted overnight low is 32 degrees and dry or 35 degrees and wet.

The proposed amendment was developed by Austin Energy staff in conjunction with the Low Income Customer Advocacy Group, which was instrumental in the development of utility regulation changes for moratoriums on residential disconnections during periods of extreme heat (approved May, 2010).





**CITY OF AUSTIN - AUSTIN ENERGY  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE: 01/27/2011**

**SUBJECT:** Approve an ordinance authorizing acceptance of \$52,500 in grant funds from the U.S. Department of Energy through Leonardo Technologies Inc., Morgantown, WV, and amending the Fiscal Year 2010-2011 Austin Energy Operating Budget Special Revenue Fund of Ordinance No. 20100913-002 to appropriate \$52,500 for programmatic support of the Central Texas Clean Cities Program. The grant period is November 16, 2010 to October 31, 2011.

**AMOUNT AND SOURCE OF FUNDING:** Funding is available from the U.S. Department of Energy through Leonardo Technologies Inc. Matching funds are not required and the General Fund will not be required to contribute to this grant.

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

**FOR MORE INFORMATION:** Ester Matthews, Climate Protection Program Director, 322-6041.

**BOARDS AND COMMISSION ACTION:** Recommended by the Resource Management Commission; to be reviewed by the Electric Utility Commission on January 24, 2011.

**PRIOR COUNCIL ACTION:** March 11, 2010 – Approved acceptance of \$20,000 in grant funds from U.S. DOE through Leonardo Technologies Inc.

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If approved, this grant from the U.S. Department of Energy through Leonardo Technologies, Inc. will be used for administration of the City of Austin's Central Texas Clean Cities Program through Austin Energy. Clean Cities is a government-industry partnership designed to reduce petroleum consumption in the transportation sector by advancing the use of alternative fuels and vehicles, idle reduction technologies, hybrid electric vehicles, fuel blends, and fuel economy measures. It is sponsored by the U.S. Department of Energy's Vehicle Technologies Program and contributes to the energy, environmental, and economic security of the U.S. by supporting local decisions to reduce our dependence on imported petroleum. The City of Austin through Austin Energy is the administrator and fiduciary agent for the Central Texas Clean Cities Program.

The U.S. has 90 Clean Cities coalitions, six of which are in Texas. The Central Texas Clean Cities Program coalition includes Travis, Bastrop, Caldwell, Hays, and Williamson Counties, the City of Temple, Texas and Fort Hood in Killeen. The proposed grant funds will be used for program management and staff training, to enhance the Central Texas Clean Cities Program web site ([www.ci.austin.tx.us/cleancities](http://www.ci.austin.tx.us/cleancities)), and to continue the quarterly eNewsletter. Grant funds will also be used for printing promotional and educational materials, workshop and conference development, and project implementation.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

**PART 3.** This ordinance takes effect on February 11, 2011.

# PASSED AND APPROVED

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Lee Leffingwell  
Mayor

**APPROVED:** \_\_\_\_\_

Karen Kennard  
Acting City Attorney

**ATTEST:** \_\_\_\_\_

Shirley A. Gentry  
City Clerk

**CITY OF AUSTIN – AUSTIN ENERGY  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE: 02/10/2011**

**SUBJECT:** Approve issuance of a rebate to Del Valle I.S.D. for the installation of energy efficient equipment at Dailey Middle School in an amount not to exceed \$77,145.17.

**AMOUNT & SOURCE OF FUNDING:** Funding is available in the Fiscal Year 2010-2011 Operating Budget of Austin Energy, Conservation Rebates and Incentive Fund.

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

**FOR MORE INFORMATION CONTACT:** Fred Yebra, P.E., Director, Energy Efficiency Services, at 482-5305 or Steve Saenz, Unit Manager, at 482-5325.

**BOARD AND COMMISSION ACTION:** Recommended by the Resource Management Commission; to be reviewed by the Electric Utility Commission on January 24, 2011.

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Austin Energy's Energy Efficiency Services requests authorization to issue a rebate to Del Valle I.S.D.- Dailey Middle School in the amount of \$77,145.17 for the installation of High Efficiency Lighting, Chiller, DX A/C, Water Source Heat Pumps, Motors, VFD's, Transformers and Heat Recovery Units at Dailey Middle School in accordance with the City of Austin's Commercial Rebate Program guidelines. This program is one element of Austin Energy's comprehensive Energy Resource Plan, approved in December 2003 by City Council, designed to reduce local air pollution through energy conservation, to reduce peak demand, and to assist customers in reducing electric consumption.

Dailey Middle School is located at 14000 Westall Street in Austin, Texas. The demand (kW) savings associated with the high efficiency equipment installed in this project is estimated at 300 kW, at a program cost of \$257.10 per kilowatt saved. The avoided kWh, estimated at 459,792 kWh per year, represents a major benefit to the local environment. This project will prevent the following air pollutants from being emitted: 304 metric tons of Carbon Dioxide (CO<sub>2</sub>), 0.19 metric tons of Sulfur Dioxide (SO<sub>2</sub>), and 0.21 metric tons of Nitrogen Oxides (NO<sub>x</sub>).

In addition to the reduced air and toxic metals pollution, the project savings are also equivalent to an estimated 619,884 vehicle miles traveled, the removal of 52.9 cars from our roadways, or the planting of 7,093 trees or 355 acres of forest in Austin's parks.

**CITY OF AUSTIN – PURCHASING OFFICE  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE: 1/27/2011**

**SUBJECT:** Authorize award, negotiation, and execution of a contract with LIGHTHOUSE SOLAR, Austin, TX, for the design and installation of solar photovoltaic systems in an estimated amount not to exceed \$459,190.

**AMOUNT AND SOURCE OF FUNDING:** Funding in the amount of \$298,665 is available in the Fiscal Year 2010-2011 Operating Budget of Austin Energy; \$160,525 is available from the U.S. Department of Energy (DOE), as a result of the American Recovery and Reinvestment Act (ARRA) of 2009 for the grant period of December 28, 2009 to December 27, 2012.

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

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

**PRIOR COUNCIL ACTION:** May 13, 2010 - Approved acceptance of \$450,000 grant from DOE amending the budget and approved interlocal with AISD. August 19, 2010 - Approved equipment purchase.

**BOARDS AND COMMISSION ACTION:** To be reviewed by the Resource Management Commission on January 18, 2011 and the Electric Utility Commission on January 24, 2011.

**PURCHASING LANGUAGE:** Single responsive proposal of three proposals 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) by meeting the goals with 24.0% MBE and 1.90% WBE Subcontractor Participation.

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This contract is for purchase and installation services for 15 Solar Outdoor Learning Centers at fifteen schools within Austin Independent School District (AISD) as part of Austin Energy's (AE) solar Curriculum Development and Demonstration Projects Grant. Installation of this equipment is expected to be completed within 300 calendar days of award of contract. Schools receiving the installations are: Ann Richards School for Young Women Leaders, Burnet Middle School, Covington Middle School, Pleasant Hill Elementary, Lamar Middle School, Mendez Middle School, Paredes Middle School, Pearce Middle School, Akins High School, Bowie High School, Crockett High School, McCallum High School, Eastside Memorial, Reagan High School, and Travis High School. Separate solicitations have secured the purchase of photovoltaic modules and micro-inverters for this project.

The Austin Energy Solar for Schools Program previously installed solar projects at the schools listed below.

Austin Independent School District:

Webb Middle School  
 Lyndon B. Johnson High School  
 Rodriguez Elementary School  
 Maplewood Elementary School  
 Brykerwoods Elementary School  
 Kealing Middle School  
 Bedichek Middle School  
 Blanton Elementary School  
 Cunningham Elementary  
 Garza Independence High School  
 Martin Middle School  
 Murchison Middle School  
 O. Henry Middle School  
 Davis Elementary School  
 Zilker Elementary School  
 Clint Small Middle School  
 Garcia (Gustavo L.) Middle School

Round Rock Independent School District:

Pond Springs Elementary  
 Westwood High School

Lake Travis Independent School District:

Lake Travis High School  
 Lake Travis Elementary School

Pflugerville Independent School District:

Dessau Elementary School  
 Parmer Lane Elementary School

Eanes Independent School District:

Valley View Elementary

Leander Independent School District:

Canyon Ridge Middle School  
 River Place Elementary School

Del Valley Independent School District:

Del Valley Middle School  
 Ojeda Junior High School

Manor Independent School District:

Decker Middle School  
 Oak Meadows Elementary School

In addition, two campuses in the Austin Community College (ACC) system received installations: the Riverside Campus and the Rio Grande Campus.

The combined energy production from the already installed systems is an estimated 138,000 kWh per year.

Through the Solar Curriculum Development and Demonstration Projects Grant, AE shares a joint mission with the DOE to maximize energy efficiency while protecting the environment, and to promote community education and outreach. The project's objectives are to expand the number of AISD campuses that have solar photovoltaic installations, continue to educate students, teachers and community stakeholders about the benefits of clean energy using the solar installations as a tool for learning, and incorporating the use of the solar photovoltaic installations into the K-12 Solar Energy Curriculum. The project carries out part of AE's 2003 Strategic Plan in promoting energy conservation through the use of alternative energy sources and generating Renewable Energy Credits. The plan calls for AE to implement a highly visible public awareness and education program that will involve the installation of PV projects at schools, branch libraries, and community centers.

This contract will allow for installations at 15 schools, and a total 57.6 kW of installed capacity is expected. The energy generated will offset an estimated 74,800 kWh per year and produce an estimated 74 renewable energy credits per year. These savings are equivalent to an estimated 86,570 vehicle miles traveled, the removal of 10 cars from our roadways, or the planting of 1,632 trees or 82 acres of forest in Austin's parks.

An Austin Energy team with expertise in this area evaluated the proposals and chose this proposal as the best. The criteria evaluated included project concept and solutions proposed, demonstrated applicable experience of company and personnel, evidence of good organizational and management experience and total evaluated cost.

MBE/WBE solicited: 3/2 MBE/WBE bid: 0/0

#### PROPOSAL ANALYSIS

- a. Adequate competition.
- b. One hundred and twenty-one notices were sent, including five MBEs and one WBE. Three proposals were received, including one MBE.

#### APPROVAL JUSTIFICATION

- a. Best evaluated proposal received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

Solar Photovoltaic Outdoor Learning Centers for Schools RFP SMH0115

<b>Evaluation Category</b>	<b>Max. Points</b>	<b>Lighthouse Solar Austin Austin, TX</b>	<b>*Hill Country Ecopower Austin, TX</b>	<b>*Texas Solar Power Company (MBE) Austin, TX</b>
<b>System Concept and Solution Proposed</b> (Including future expandability, educational aspects, aesthetics, and expected life)	60	50		
<b>Total Evaluated Cost</b> (Proposer with lowest cost to City will be given maximum points, remaining given on a percentage ratio basis)	20	20		
<b>Demonstrated Applicable Experience</b> (Relevant experience based on previous projects of company and personnel résumé's)	10	9		
<b>Evidence of Good Organizational and Management Experience</b> (From submitted business organization and project manager structure submitted)	10	7		
<b>Sub-Total</b>	100	86		
<b>Bonus points awarded for options with innovative or additional features</b>	10	7		
<b>Total Maximum Points Available</b>	110	93		

\*Non-Responsive, Compliance plan not approved by DSMBR

**CITY OF AUSTIN - PURCHASING OFFICE**  
**RECOMMENDATION FOR COUNCIL ACTION**  
**VENDOR NAMES: NALCO COMPANY**

**AGENDA DATE: 01/27/2011**

**SUBJECT:** Authorize award, negotiation, and execution of a 24-month requirements service contract with NALCO COMPANY, Naperville, IL, or one of the other qualified offerors to RFP No. SMH0114, for equipment supply and service for chemical water treatment programs at various city facilities in an estimated amount not to exceed \$3,000,000, with two 24-month extension options in an estimated amount not to exceed \$3,000,000 per extension option, for a total estimated contract amount not to exceed \$9,000,000.

**AMOUNT AND SOURCE OF FUNDING:** Funding in the amount of \$1,000,000 is available in the Fiscal Year 2010-2011 Operating Budget of various City Departments. Funding for the remaining sixteen 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 proposal of five proposals received.

**PRIOR COUNCIL ACTION:** N/A

**BOARDS AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on January 24, 2011.

**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 contract.

**FOR MORE INFORMATION:** Shawn Harris, Sr. Supervising Buyer/512-505-7351

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This contract will provide for a complete water chemical treatment program, including the equipment, supplies, and maintenance for the cooling towers, chillers, demineralizers, and boilers at various city locations. The facilities serviced under this agreement will include Decker Creek Power Station, Sand Hill Energy Center, Paul Robbins District Cooling Plant, District Cooling Plant II, Energy Control Center (ECC), Mueller Energy Center, System Control Center (SCC), Combined Transportation Emergency Communications Center (CTECC), Austin Police Department (APD), DeWitty Job Training and Employment Center, Municipal Building, Rebecca Baines Johnson (RBJ) Building, Austin Convention Center, Palmer Events Center, and Austin Bergstrom International Airport (ABIA).

The water treatment program will provide treatment, monitoring, testing, and other functions including chemical treatment for reverse osmosis systems, cooling tower water systems, chilled water loops, hot water loops, clarifiers, and low and high pressure boilers. This testing and treatment is required to treat these systems in order to meet operational, maintenance, and warranty requirements, as well as



Environmental Protection Agency (EPA), Texas Commission on Environmental Quality (TCEQ), and Austin Water Utility discharge permit requirements.

An Austin Energy team with expertise in this area evaluated the proposals and unanimously chose this proposal as the best to provide this service. The criteria evaluated included the company's proposed technical solution, applicable experience including references, technical support provided, and total evaluated cost.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

MBE/WBE solicited: 7/4

MBE/WBE bid: 0/0

### **PROPOSAL ANALYSIS**

- a. Adequate competition.
- b. Eighty-nine notices were sent, including seven MBEs and four WBEs. Five proposals were received, with no response from the MBE/WBEs.

### **APPROVAL JUSTIFICATION**

- a. Best evaluated proposal received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

EVALUATION FACTORS	Max. Points	Nalco	GE	Buckman	GC3	Fort Bend
<b>Technical Solution</b> – Methodology submitted that will be used in application of the chemistry to the various units, responsiveness to terms and Conditions, completeness and thoroughness of the technical data and documentation	30	29	24	26	26	21
<b>Total Evaluated Cost</b>	30	28	30	17	19	15
<b>Technical Support</b> – List of names, addresses and phone numbers of people who may be contacted by City if needed to service the various locations	20	20	17	18	16	17
<b>Experience</b> – List a minimum of ten projects of similar applications, also list number of years in business and length of time treating projects of similar size and scope	20	19	19	19	18	18
<b>TOTAL</b>	<b>100</b>	<b>96</b>	<b>90</b>	<b>80</b>	<b>79</b>	<b>71</b>

**CITY OF AUSTIN – PURCHASING OFFICE  
RECOMMENDATION FOR COUNCIL ACTION  
VENDOR NAME: SOLOMON CORPORATION**

**AGENDA DATE: 03/03/2011**

**SUBJECT:** Authorize award and execution of a 24-month revenue contract with SOLOMON CORPORATION, Solomon, KS for the sale of obsolete transformers with an estimated revenue of \$731,836, with three 12-month extension options with an estimated revenue of \$365,918 per extension option, for a total estimated revenue of \$1,829,590.

**AMOUNT AND SOURCE OF FUNDING:** The total revenue for Fiscal Year 2010-2011 is estimated to be \$182,959.

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

**FOR MORE INFORMATION CONTACT:** Gage Loots, Buyer II/512-322-6118

**BOARD AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on 01/24/2011.

**PURCHASING:** Highest bid of three 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). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

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This contract is for the sale of scrap single-phase and three-phase power transformers as well as the disposal of potential and current transformers, circuit breakers and transformer bushings for Austin Energy (AE). AE routinely removes and replaces transformers from its distribution service area due to storm damage, leaks, or other malfunctions. Transformers are repaired or refurbished for continued use through a separate contract when possible, but transformers whose age and condition make them no longer viable are sold for scrap. The design of current and potential transformers requires a significant amount of labor to recover any scrap value; therefore, disposal costs are incurred.

Bid prices are based on a percentage mark-up to the published American Metals Market (AMM) quote for the price of No. 1 scrap copper. The contract price will change monthly based on the fluctuation of the AMM price of No. 1 scrap copper. The net estimated revenue was obtained by subtracting the estimated disposal costs from the estimated revenue and the recommended awardee is offering the highest net estimated revenue to the City.

MBE/WBE solicited: 2/5

MBE/WBE bid: 0/0

**BID TABULATION****IFB No. GAL0008****Sale of Obsolete Transformers****(Total Annual Estimates – Sale: 93,705 KVAs, Disposal: 9600 lbs.)**

<b>Vendor</b>	<b>% Markup to AMM Price of No. 1 Copper</b>	<b>Revenue from Sale of Scrap Power Transformers</b>	<b>\$/Pound for Disposal</b>	<b>Cost for Disposal of Potential and Current Transformers, Circuit Breakers &amp; Bushings</b>	<b>Total Bid (Net Estimated Revenue)</b>
Solomon Corporation Solomon, KS	10%	\$365,918.03	\$0.00	\$0.00	\$365,918.03
Utility Recycling Services Will Point, TX	-43%	\$189,612.07	\$1.00	\$9,600.00	\$180,012.07
A-Line E.D.S. Waterloo, IA	*	*	*	*	*

- \* A-Line E.D.S. did not provide pricing in accordance with the bid sheet; therefore, its bid is considered non-responsive and cannot be considered for award.

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

**PRICE ANALYSIS**

- Adequate competition.
- Seventy-nine notices were sent, including two MBEs and five WBEs. Three bids were received, with no response from the MBE/WBEs.
- The pricing offered represents an 80% decrease from the last contract award in June 2010. This change in the offered mark-up to the AMM price of No. 1 Copper is due to a lower percent occurrence of copper in the composition of modern transformers.

**APPROVAL JUSTIFICATION**

- Highest bid received. Solomon Corporation is the current provider of this service.
- The Purchasing Office concurs with Austin Energy's recommended award.
- Advertised on the Internet.

**CITY OF AUSTIN – PURCHASING OFFICE  
RECOMMENDATION FOR COUNCIL ACTION  
VENDOR NAME: POWER SUPPLY, INC.**

**AGENDA DATE: 02/10/2011**

**SUBJECT:** Authorize award and execution of a contract with POWER SUPPLY, INC., Austin, TX for the purchase of Transient Recovery Voltage (TRV) capacitors for Austin Energy facilities in an amount not to exceed \$74,120.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$74,120 is available in the Fiscal Year 2010-2011 Capital Budget of Austin Energy.

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

**PURCHASING:** Sole Source.

**BOARD AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on 01/24/2011.

**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:** Gage Loots, Buyer II/512-322-6118

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This contract is for the purchase of three sets of transient voltage recovery (TRV) capacitors for use by Austin Energy's (AE) Electric Service Delivery group. AE currently has over 180 Asea Brown Boveri (ABB) brand 145 PM type circuit breakers. These circuit breakers require TRV capacitors in order to meet the AE short circuit interruption specifications for circuit breakers. Circuit breakers are used by AE to interrupt power in case of a fault on the system or to isolate equipment in case of maintenance. The breakers are the first line of defense in case of system disturbance and are sized according to the fault interrupt rating of a given location. Without these TRV capacitors, the breakers cannot meet the interrupt rating required to ensure safe operation.

ABB, Inc. is the only company who manufactures TRV capacitors that are compatible with AE's ABB 145 PM type circuit breakers. Power Supply, Inc. is the only authorized distributor of ABB distribution and transmission equipment and parts for Austin, TX.

**CITY OF AUSTIN – PURCHASING OFFICE**  
**RECOMMENDATION FOR COUNCIL ACTION**  
**VENDOR NAME: GLOBE ELECTRIC SUPPLY COMPANY**

**AGENDA DATE: 2/17/11**

**SUBJECT:** Authorize award and execution of a contract with GLOBE ELECTRIC SUPPLY COMPANY, Houston, TX for the purchase of a Direct Current (DC) to Alternating Current (AC) three-phase inverter in an amount not to exceed \$62,626.00.

**AMOUNT & SOURCE OF FUNDING:** Funding is available in the Fiscal Year 2010-2011 Capital Budget of Austin Energy.

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

**PURCHASING:** Lowest bid meeting purchasing requirements of four bids received.

**BOARD AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on 01/24/2011

**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.

**FOR MORE INFORMATION CONTACT:** Gabriel Guerrero, Buyer II/322-6060

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This contract is for the purchase of a Direct Current (DC) to Alternating Current (AC) three-phase inverter. This inverter is a continuous duty, solid-state, on-line, Pulse-Width-Modulated (PWM) based inverter that converts the DC power back to clean conditioned AC power.

This inverter supports the Austin Energy (AE) back-up control center (BUCC) which is responsible for redundant electric grid operations in the event of a loss of capabilities at the AE primary site. The BUCC upgrades are part of ERCOT regulatory SCADA/EMS upgrades required for participation in the ERCOT ISO operating region and for transition to a NODAL market operational system. In addition, the facility upgrades and consequent powering needs will support BUCC operations that comply with recently adopted North American Electric Reliability Corporation (NERC)/Federal Energy Reliability Commission (FERC) Critical Infrastructure Protection (CIP) federal regulatory requirements. This inverter is integral to the powering scheme design that operates in conjunction with the existing electrical systems to provide high quality redundant power to this critical load.

MBE/WBE Solicited: 3/2

MBE/WBE Bid: 0/0

**BID TABULATION**  
**IFB No. GGU0090**  
**DC to AC 3-Phase Inverter**

<b><u>VENDOR</u></b>	<b><u>Total Bid</u></b>
<b>Globe Electric Supply Co. Houston, TX</b>	<b>\$62,626.00</b>
FMW Distributors, Inc. Montgomery, TX	\$70,004.00
Consumers Tech, LLC Austin, TX	\$76,600.00
Ametek Solidstate Controls % Pan Tech Sugar Land, TX	*

\* Non responsive, did not include delivery pricing information and took exception to the City's terms and conditions.

Award is based on lowest bid meeting purchasing requirements. 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. One hundred and ninety-eight notices were sent, including three MBEs and two WBEs. Four bids were received, with no response from the MBE/WBEs.
- c. This is the first purchase of its type; therefore, there is no pricing history available.

**APPROVAL JUSTIFICATION**

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

**CITY OF AUSTIN – PURCHASING OFFICE  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE: 03/03/2011**

**VENDOR NAME: GREATER TEXAS LANDSCAPE SERVICES**

**SUBJECT:** Authorize award and execution of a 12-month requirements service contract with GREATER TEXAS LANDSCAPE SERVICES., Austin, TX, or one of the other qualified bidders for IFB-BV No. TVN0054REBID, to provide grounds maintenance services in an estimated amount not to exceed \$81,675, with four 12-month extension options in an estimated amount not to exceed \$81,675 per extension option, for an estimated total contract amount not to exceed \$408,375.

**AMOUNT AND SOURCE OF FUNDING:** Funding in the amount of \$47,644 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining five months of the original contract period and extension options is contingent upon 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 by the Electric Utility Commission on 01/24/2011.

**PURCHASING:** Best evaluated bid of nine 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). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

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This service agreement will provide labor, equipment and supervision for the performance of routine grass mowing and edging at Austin Energy (AE) substations and other locations. The contract will provide a consistent standard for landscaping and ground maintenance to assure appropriate landscape management and lawn care. The Contractor will be responsible for maintaining all equipment necessary for proper maintenance of each location. The Contractor's employees will be required to successfully pass the standard AE security screening process before they may work at any AE location.

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 has provided guidelines for emissions reduction, which were included in this solicitation. These guidelines include the use of alternative fuels rather than gasoline in the large engine lawn equipment used. It also includes the requirement for the use of other sustainable practices by evaluating the bids based on a "Best Value" analysis. These "Best Value" solicitations are evaluated primarily on cost, but also include other criteria such as clean



burning equipment offered, experience, certifications and training, and company practices where bidders are awarded additional points for providing more innovative, effective, and sustainable products and services.

This request allows for the execution of a contract with a bidder, who provides the best value to the City, that Council selects. If this bidder does not execute a contract with the City, staff will return to Council so that Council may select another best value bidder and authorize a contract with this bidder.

MBE/WBE solicited: 17/10

MBE/WBE bid: 2/1

### **BID TABULATION**

#### **IFB (Best-Value TVN0054 Grounds Maintenance Services)**

<b><u>Vendor</u></b>	<b><u>Total Bid-Annual Service</u></b>
<b>Greater Texas Landscape Services, Austin, TX</b>	<b>\$81,675</b>
Maldonado Nursery & Landscaping, Inc., San Antonio, TX	\$77,852.20
BioGardener, Austin, TX	\$118,850
Pampered Lawns Austin, Inc., Austin, TX	\$139,730
International Building Services, Austin, TX	*
Andy J. Wilhelm, San Marcos, TX	*
Advance Landscape Designs, Austin, TX	*
Avery's Lawncare & Landscape, Round Rock, TX	*
Frank Ringer & Associates, Austin, TX	**

\* Non-responsive, did not provide the documentation required in the solicitation.

\*\* Non-responsive, did not bid the entire scope of the solicitation.

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**

- Adequate competition.
- One hundred thirty-six notices were sent including 17 MBEs and 10 WBEs. Nine bids were received, including two MBEs and one WBE.
- The pricing offered represents a 2% decrease from the last contract award made in May 2005.

### **APPROVAL JUSTIFICATION**

- Best evaluated bid received. Greater Texas Landscape Services is not the current provider of this service.
- The Purchasing Office concurs with the Austin Energy's recommended award.
- Advertised on the Internet

**IFB-BV TVN0054REBID**  
**GROUNDS MAINTENANCE SERVICE**

Evaluation Criteria		Total Points	Greater Texas Landscape Services	Maldonado Nursery & Landscaping, Inc.	BioGardener	Pampered Lawns Austin, Inc.	* Andy J. Wilhelm
1	<b>TOTAL COST:</b>	55	52	55	36	31	
	<b>EQUIPMENT:</b>						
	<b>Tier One: 16- 25 Points:</b> All equipment must meet alternative fuel or the low-emissions requirements ON DAY ONE of the contract to be considered for this tier.						
2	<b>Tier Two: 11-15 Points:</b> All equipment must meet the alternative fuel or low-emissions requirements WITHIN FOUR (4) MONTHS of the beginning of this contract to be considered for this tier. <b>Tier Three: Up to 10 Points:</b> All equipment must meet alternative fuel or the low-emissions requirements WITHIN TWELVE (12) MONTHS of the beginning of this contract to be considered for this tier.	25	25	20	25	24	
	<b>EXPERIENCE:</b>						
3	<b>Tier One: 13-20 Points:</b> To be considered for this tier, bidders must CURRENTLY possess the certifications, memberships, or training experience listed. <b>Tier Two: Up to 12 Points:</b> Please list additional training, industry memberships, and professional certifications that WILL BE obtained WITHIN the first 12-months of the beginning of the contract	20	19	18	20	20	
<b>Grand Total Score</b>		<b>100</b>	<b>96</b>	<b>93</b>	<b>81</b>	<b>75</b>	

Evaluation Criteria		Total Points	* International Building Services	* Advance Landscape Designs	* Avery's Lawncare & Landscape	** Frank Ringer & Associates
1	<b>TOTAL COST:</b>	55				
	<b>EQUIPMENT:</b>					
	<b>Tier One: 16- 25 Points:</b> All equipment must meet alternative fuel or the low-emissions requirements ON DAY ONE of the contract to be considered for this tier.					
2	<b>Tier Two: 11-15 Points:</b> All equipment must meet the alternative fuel or low-emissions requirements WITHIN FOUR (4) MONTHS of the beginning of this contract to be considered for this tier. <b>Tier Three: Up to 10 Points:</b> All equipment must meet alternative fuel or the low-emissions requirements WITHIN TWELVE (12) MONTHS of the beginning of this contract to be considered for this tier.	25				
	<b>EXPERIENCE:</b>					
3	<b>Tier One: 13-20 Points:</b> To be considered for this tier, bidders must CURRENTLY possess the certifications, memberships, or training experience listed. <b>Tier Two: Up to 12 Points:</b> Please list additional training, industry memberships, and professional certifications that WILL BE obtained WITHIN the first 12-months of the beginning of the contract	20				
<b>Grand Total Score</b>		<b>100</b>				

\* Non-Responsive, did not submit required qualification documentation

\*\* Non-Responsive, did not bid entire scope of solicitation

**CITY OF AUSTIN – PURCHASING OFFICE  
RECOMMENDATION FOR COUNCIL ACTION  
VENDOR NAME: USIC LOCATING SERVICES, INC.**

**AGENDA DATE: 03/03/2011**

**SUBJECT:** Authorize award and execution of a 24-month requirements service contract on an as needed basis with USIC LOCATING SERVICES, INC., Carmel, IN for underground utility locating in an amount in an estimated amount not to exceed \$713,500 with three 12-month extension options in an amount not to exceed \$356,750 per extension option, for a total contract amount not to exceed \$1,783,750.

**AMOUNT AND SOURCE OF FUNDING:** Funding in the amount of \$208,104 is available in the Fiscal Year 2010-2011 Operating Budget of Austin Energy. Funding for the remaining seventeen 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:** Gage Loots, Buyer II/512-322-6118

**BOARD AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on 01/24/2011.

**PURCHASING:** Lowest bid of three 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). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

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This contract will provide Austin Energy (AE) with ready access to equipment, materials, and qualified personnel to safely and effectively provide underground utility locating services. The contractor shall respond, as required, to all excavation notices directed to AE through the Texas One-Call Center or any other source in accordance with the current Texas Underground Facility Damage Prevention and Safety Act. Services include, but are not limited to painting, flagging, and/or staking of utility lines in accordance with the current state and AE specifications. These services are required for the purpose of safeguarding underground and subsurface facilities from excavation damage.

MBE/WBE solicited: 3/2

MBE/WBE bid: 0/0

**BID TABULATION**

**IFB No. SMH0025**  
**Underground Utility Locating Services**  
**(2 – line items)**

<b><u>Vendor</u></b>	<b><u>Total Annual Price</u></b>
<b>USIC Locating Services, Inc.</b> <b>Carmel, IN</b>	<b>\$356,750</b>
Utiliquet, LLC. Atlanta, GA	\$427,625
Utility Services & Consulting Corp. Sarver, PA	*

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

\* Council approved a contract with Utility Services & Consulting Corp. on December 16, 2010. Purchasing Office could not award the approved contract as when notified Utility Services & Consulting Corp. stated they were no longer interested in the contract award.

**PRICE ANALYSIS**

- Adequate competition.
- Fifty notices were sent including three MBEs and two WBEs. Three bids were received with no responses from the MBE/WBEs.
- The pricing offered represents a 3% decrease from the last contract award made in December 2006.

**APPROVAL JUSTIFICATION**

- Lowest bid received. USIC Locating Services, Inc. is not the current provider of these services.
- The Purchasing Office concurs with Austin Energy's recommended award.
- Advertised on the Internet.

**CITY OF AUSTIN – AUSTIN ENERGY  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE: 03/03/2011**

**SUBJECT:** Approve an ordinance amending the electric rate schedule included in Exhibit A of Ordinance No. 20100913-004 to add a tariff for an electric vehicle public charging station pilot program.

**AMOUNT AND SOURCE OF FUNDING:** There is no unanticipated fiscal impact.

**FISCAL NOTE:** A fiscal note is not required.

**FOR MORE INFORMATION CONTACT:** Karl Rabago, Distributed Energy Services Vice President, 322-6098.

**PRIOR COUNCIL ACTION:** September 13, 2010 – Approved electric rate schedule of Austin Energy, included in the Fiscal Year 2010-2011 Budget of Austin Energy.

**BOARD AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on January 24, 2011.

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The Electric Vehicle Public Charging Pilot Tariff is the rate electric vehicle drivers will pay to use the charging stations in Austin Energy's network until further research is conducted and a permanent tariff is put in place. The tariff will provide electric vehicle drivers two payment options: an hourly rate and flat-rate subscription.

In December 2010, Austin Energy entered into a contract with Coulomb Technologies Inc. (CTI) to accept up to 200 CT-2100 Charging Stations as part of CTI's ChargePoint America program. This contract was explained in a memo to Council on December 30, 2010.

The ChargePoint charging stations will be installed on both City and non-City properties. Austin Energy staff is already working to install stations on City properties; the first stations will be operational by the end of February 2011. Austin Energy will issue its call for partners in its Station Host program to install ChargePoint America stations on non-City properties by the end of January 2011. Austin Energy expects the first stations to be operational by March 2011.

The installation of these stations will be an important first step in gathering electric vehicle charging station cost and usage data. Austin Energy will use this data to develop a second-generation tariff.

**BYLAWS OF THE  
ELECTRIC UTILITY COMMISSION**

**ARTICLE 1. NAME.**

The name of the board is the Electric Utility Commission.

**ARTICLE 2. PURPOSE AND DUTIES.**

The purpose of the board is as follows:

- (A) The commission shall review and analyze all policies and procedures of the electric utility, including the electric rate structure, fuel costs and charges, customer services, capital investments, new generation facilities, selection of types of fuel, purchase of fuel, transportation of fuel, billing procedures, and the transfer of electric utility revenues from the utility fund to the general fund.
- (B) The commission shall advise the city council, the city manager, the electric utility, city departments, and city boards, commissions, and committees on policy matters relating to the electric utility. All advisory information given shall simultaneously be forwarded to the city manager.
- (C) The commission may review, study, and make recommendations to the Planning Commission on proposed electric utility projects for inclusion in the Capital Improvements Program.
- (D) The commission shall request that the city council hire an outside consultant every five years to make a comprehensive review of the policies and procedures of the electric utility. The commission may initiate an external or internal review of the policies and procedures of the electric utility. If the commission initiates a review, it shall report its findings to the city council and the city manager.
- (E) The commission shall interpret the role of the electric utility to the public and the role of the public to the electric utility. The commission may hold a public hearing and briefing session every six months to explain new policies and to take citizens comments, suggestions, and complaints.
- (F) The commission may make recommendations to the city council before final council action on a policy or procedure of the electric utility.
- (G) The commission shall request from the city manager any information which it deems to pertain to the electric utility.
- (H) The commission shall, as a body, review customer complaint procedures and specific customer grievances and complaints, and make recommendations to the city council and city manager based on its findings. This duty does not supersede, replace, or substitute for the appeal procedures provided to customers in the City Utility Service Regulations.
- (I) The commission shall seek to promote close cooperation between the city council, other city boards, committees, and commissions, city departments and individuals, institutions and agencies concerned with the policies, procedures, and operations of the electric utility to the end that all similar activities within the City may be coordinated to secure the greatest public welfare.

**ARTICLE 3. MEMBERSHIP.**

- (A) The board is composed of seven members appointed by the city council.
- (B) A member serves at the pleasure of the city council.
- (C) Board members serve for a term of three years beginning August 1<sup>st</sup> on the year of appointment.
- (D) An individual board member may not act in an official capacity except through the action of the board.
- (E) A board member who is absent for three consecutive regular meetings or one-third of all regular meetings in a “rolling” twelve month timeframe automatically vacates the member’s position subject to the holdover provisions in Section 2-1-27 of the City Code. This does not apply to an absence due to illness or injury of the board member, an illness or injury of a board member’s immediate family member, or the birth or adoption of the board member’s child for 90 days after the event. The board member must notify the staff liaison of the reason for the absence not later than the date of the next regular meeting of the board. Failure to notify the liaison before the next regular meeting of the board will result in an unexcused absence.
- (F) At each meeting, each board member shall sign an attendance sheet which indicates that the member does not have a conflict of interest with any item on that agenda, or identifies each agenda item on which the member has a conflict of interest. Failure to sign the sheet results in the member being counted as absent and his/her votes are not counted.
- (G) A member who seeks to resign from the board shall submit a written resignation to the chair of the board, the staff liaison, or the city clerk’s office. If possible, the resignation should allow for a thirty day notice so the city council can appoint a replacement.

**ARTICLE 4. OFFICERS.**

- (A) The officers of the board shall consist of a chair and a vice-chair.
- (B) Officers shall be elected annually by a majority vote of the board at the first regular meeting after October 1<sup>st</sup>. In the event a current officer becomes ineligible to serve as an officer, the board may hold an emergency election as needed.
- (C) The term of office shall be one year, beginning November 1<sup>st</sup> and ending October 31<sup>st</sup>. An officer may continue to serve until a successor is elected. A person may not serve as an officer in a designated position of a board for more than three consecutive one-year terms. A person who has served as an officer in a designated position of a board for three consecutive terms is not eligible for re-election to that designated office until the expiration of two years after the last date of the person’s service in that office. The board may override the term limit provision for an officer by an affirmative vote of two-thirds of the authorized board members.
- (D) A member may not hold more than one office at a time.

**ARTICLE 5. DUTIES OF OFFICERS.**

- (A) The chair shall preside at board meetings, appoint all committees, represent the board at ceremonial functions and approve each final meeting agenda.
- (B) In the absence of the chair, the vice-chair shall perform all duties of the chair.

**ARTICLE 6. AGENDAS.**

- (A) Two or more board members may place an item on the agenda by oral or written request to the staff liaison at least five days before the meeting. After first consulting with and receiving input from the staff liaison, the chair shall approve the each final meeting agenda.
- (B) The board liaison shall submit the meeting agenda through the online agenda posting system for each meeting not less than 72 hours before the meeting.
- (C) Posting of the agenda must comply with Texas Government Code Chapter 551 (Texas Open Meetings Act).

**ARTICLE 7. MEETINGS.**

- (A) The board meetings shall comply with Texas Government Code Chapter 551 (Texas Open Meetings Act).
- (B) Board meetings shall be governed by Robert's Rules of Order.
- (C) The board may not conduct a closed meeting without the approval of the city attorney.
- (D) The board shall meet monthly. In November of each year, the board shall adopt a schedule of the meetings for the upcoming year, including makeup meeting dates for the holidays and cancelled meetings.
- (E) The chair may call a special meeting, and the chair shall call a special meeting if requested by three or more members. The call shall state the purpose of the meeting. A board may not call a meeting in addition to its regular scheduled meetings as identified in its adopted meeting schedule, more often than once a quarter, unless the meeting is required to comply with a statutory deadline or a deadline established by Council.
- (F) Four members constitute a quorum.
- (G) If a quorum for a meeting does not convene within one-half hour of the posted time for the meeting, then the meeting may not be held.
- (H) To be effective, a board action must be adopted by affirmative vote of the number of members necessary to provide a quorum.
- (I) The chair has the same voting privilege as any other member.



- (J) The board shall allow citizens to address the board on agenda items and during a period of time set aside for citizen communications. The chair may limit a speaker to three minutes.
- (K) The staff liaison shall prepare the board minutes. The minutes of each board meeting must include the vote of each member on each item before the board and indicate whether a member is absent or failed to vote on an item.
- (L) The city clerk shall retain agendas, approved minutes, internal review reports and bylaws. The electric utility department shall retain all other board documents. The documents are public records under Texas Local Government Code Chapter 552 (Texas Public Information Act).
- (M) The chair shall adjourn a meeting not later than 10 p.m., unless the board votes to continue the meeting.
- (N) Each person and board member attending a board meeting should observe decorum pursuant to Section 2-1-48 of the City Code.

## ARTICLE 8. COMMITTEES/WORKING GROUPS.

### COMMITTEES

- (A) The Electric Utility Commission currently has no committees.
- (A) Each committee must be established by an affirmative vote of the board. A committee cannot meet until its creation is approved by the Council Audit and Finance Committee. Each committee shall consist of at least three board members appointed by the chair. A staff member shall be assigned to each committee by the director of the electric utility department.
- (C) The board chair shall appoint a board member as the committee chair, with the member's consent.
- (D) A majority of the total number of appointed committee members constitutes a quorum.
- (E) Each committee shall meet on a regularly scheduled basis at least quarterly.
- (F) Each committee shall make an annual report to the board at the January board meeting.
- (G) Committee meetings must be posted in accordance with Texas Government Code Chapter 551 (Texas Open Meetings Act).
- (H) At each committee meeting, a committee member shall sign in on a sheet provided and shall indicate that the member has no conflict of interest with any item on the committee meeting agenda, or identify each agenda item on which the member has a conflict of interest.

### WORKING GROUPS

- (A) The board can determine the size of a working group but the number of board members serving on the working group must be less than a quorum of the board.

- 1  
2 (B) A working group may designate a chair, with the member's consent, but is not required to do so.  
3  
4 (C) Quorum requirements do not apply to working groups.  
5  
6 (D) Staff support will not be provided for working groups.  
7  
8 (E) Working groups are not required to post their meetings in accordance with the Texas Government  
9 Code Chapter 551 (Texas Open Meetings Act).  
10

11  
12 **ARTICLE 9. PARLIAMENTARY AUTHORITY.**  
13

14 The rules contained in the current edition of Robert's Rules of Order shall govern the board in all  
15 cases to which they are applicable, except when inconsistent with these bylaws or with special rules of  
16 procedure which the board or city council may adopt.  
17

18  
19 **ARTICLE 10. AMENDMENT OF BYLAWS.**  
20

21 A bylaw amendment is not effective unless approved by the Council Audit and Finance Committee.  
22

23  
24 The bylaws were approved by the Electric Utility Commission at their meeting held on January 24,  
25 2011.  
26

27  
28  
29 \_\_\_\_\_  
30 Toye Goodson Collins

Title: Staff Liaison

**CITY OF AUSTIN - AUSTIN ENERGY  
RECOMMENDATION FOR COUNCIL ACTION****AGENDA DATE: 01/27/2011**

**SUBJECT:** Approve an ordinance amending the Fiscal Year 2010-2011 Austin Energy Capital Budget of Ordinance No. 20100913-003 to increase appropriations by \$17,000,000 for the Holly Street Power Plant decommissioning costs and amending the Fiscal Year 2010-2011 Austin Energy Operating Budget of Ordinance No. 20100913-002 to increase the Non-Fuel Operations and Maintenance by \$12,000,000 for the Holly Street Power Plant decommissioning account and decrease the Austin Energy Operating Fund ending balance by \$12,000,000.

**AMOUNT AND SOURCE OF FUNDING:** Funding is available from the ending balance of the Austin Energy Operating Fund. Funding in the amount of \$5,000,000 is available from deductive credits incorporated into the contract from the winning bidder.

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

**FOR MORE INFORMATION:** Elaine Hart, CPA, Sr. Vice President Finance & Corporate Services 322-6558.

**BOARDS AND COMMISSION ACTION:** The Electric Utility Commission recommended approval of this item with concerns about the large price differentiation between the first and second proposals of approximately \$6.1 million, about 25 percent of the project cost, in relation to the small score difference on the evaluation matrix on the related item on this agenda proposed by the Contract and Land Management Department requesting authorization to negotiate and execute a contract to provide services for decommissioning the Holly Street Power Plant.

**PRIOR COUNCIL ACTION:** September 13, 2010 - Approved Budget Ordinance 20100913-002 and 20100913-003.

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Austin Energy is seeking approval of this budget amendment to provide additional appropriations and related funding sources for decommissioning the Holly Street Power Plant.

Holly Street Power Plant – Austin Energy (AE) owns a 570 megawatt (MW) natural gas fired power plant, known as Holly Street Power Plant (Holly), which began operations between 1960 and 1974. Holly is sited in a neighborhood near downtown on Lady Bird Lake in Austin, Texas. Resolutions to close Holly were approved by Council in July 2002 and November 2003. In accordance with these resolutions, power production operations ceased at Holly Units 1 and 2 in October 2004 and Units 3 and 4 in September 2007. The plant's final decommissioning work or deconstruction is to begin in early 2011.

Appropriation – Austin Energy is seeking authorization to amend the Fiscal Year 2010-2011 Austin Energy Capital Budget of Ordinance No. 20100913-003 to increase appropriations by \$17,000,000 for the Holly Street Power Plant decommissioning costs. This budget amendment is related to another Council agenda item that requests authorization to negotiate and execute a contract to provide services for the decommissioning of the Holly Street Power Plant.

Funding Source for the Appropriation - Austin Energy is also seeking authorization to amend the Fiscal Year 2010-2011 Austin Energy Operating Budget of Ordinance No. 20100913-002 to increase Non-Fuel Operations and Maintenance by \$12,000,000 for the Holly Street Power Plant decommissioning account and decrease the Austin Energy Operating Fund ending balance by \$12,000,000. Funding in the amount of \$5,000,000 is available from deductive credits for salvage incorporated into the contract from the winning bidder. This additional funding of the Holly Street Power Plant decommissioning account and the contract deductive credits combined provide the \$17,000,000 funding sources needed for the additional appropriations.

With this amendment, Austin Energy is seeking authorization to use a portion of the Austin Energy Operating Fund ending fund balance as a funding resource. In prior years, Austin Energy has experienced positive operating results due to revenues higher than estimated and lower than anticipated operating expenditures, thus resulting in a positive ending balance. Although Fiscal Year 2010-2011 Austin Energy Operating Fund shows a deficiency of total available funds over total requirements, there is sufficient ending balance to fund this amendment.

**ORDINANCE NO.**

**AN ORDINANCE AMENDING THE FY 2010-2011 OPERATING BUDGET FOR THE ELECTRIC UTILITY DEPARTMENT, ORDINANCE NO. 20100913-002 AND CAPITAL BUDGET OF ORDINANCE 20100913-003 TO INCREASE EXPENDITURES AND APPROPRIATIONS**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

**PART 1.** The Council amends the Fiscal Year 2010-2011 Austin Energy Department Operating Budget of Ordinance 20100913-002 to decrease the Ending Balance by \$12,000,000 and increase the Non-Fuel Operating Requirements by \$12,000,000 for the Holly Street Power Plant decommissioning.

**PART 2.** The Council amends the Fiscal Year 2010-2011 Austin Energy Department Capital Budget of Ordinance 20100913-003 to appropriate \$17,000,000 for the Holly Street Power Plant decommissioning.

**PART 3.** This ordinance takes effect on February 07, 2011.

**PASSED AND APPROVED**

\_\_\_\_\_, 2011      § \_\_\_\_\_  
    § \_\_\_\_\_  
    § \_\_\_\_\_  
    Lee Leffingwell  
    Mayor

**APPROVED:** \_\_\_\_\_  
                          Karen Kennard  
                          Acting City Attorney

**ATTEST:** \_\_\_\_\_  
                          Shirley A. Gentry  
                          City Clerk

**CIP BUDGET****Fiscal Note****DATE OF COUNCIL CONSIDERATION:**

1/27/2011

**WHERE ON AGENDA:**

ORDINANCE

**DEPARTMENT:**

Austin Energy

**Description:** Approve an ordinance amending the Fiscal Year 2010-2011 Austin Energy Capital Budget of Ordinance No. 20100913-003 to increase appropriations by \$17,000,000 for the Holly Street Power Plant decommissioning costs and amending the Fiscal Year 2010-2011 Austin Energy Operating Budget of Ordinance No. 20100913-002 to increase the Non-Fuel Operations and Maintenance by \$12,000,000 for the Holly Street Power Plant decommissioning account and decrease the Austin Energy Operating Fund ending balance by \$12,000,000.

**FINANCIAL INFORMATION:****Austin Energy Capital Budget - 2010-2011**

<u>Project #</u>	<u>Project Name</u>	<u>Approved Budget</u>	<u>This Action</u>	<u>Amended Budget</u>	<u>Funding Source</u>
3320 1107 7500	Non-Nuclear Decommissioning	\$ 19,000,000	\$ 12,000,000	\$ 31,000,000	Non-Nuclear Decommissioning
3320 1107 7500	Non-Nuclear Decommissioning	\$ -	\$ 5,000,000	\$ 5,000,000	Deductive Credits from Contractor
Total Project		\$ 19,000,000	\$ 17,000,000	\$ 36,000,000	

Director Financial Planning &amp; Budget

David Kutach12/3/2010

## OPERATING BUDGET Fiscal Note

**DATE OF COUNCIL CONSIDERATION:**  
**WHERE ON AGENDA:**  
**DEPARTMENT:**

01/27/11  
ORDINANCE  
Austin Energy

**Description:** Approve an ordinance amending the Fiscal Year 2010-2011 Austin Energy Capital Budget of Ordinance No. 20100913-003 to increase appropriations by \$17,000,000 for the Holly Street Power Plant decommissioning costs and amending the Fiscal Year 2010-2011 Austin Energy Operating Budget of Ordinance No. 20100913-002 to increase the Non-Fuel Operations and Maintenance by \$12,000,000 for the Holly Street Power Plant decommissioning account and decrease the Austin Energy Operating Fund ending balance by \$12,000,000.

	<u>2010-11 AMENDED</u>	<u>This Action</u>	<u>Amended Budget</u>
BEGINNING BALANCE	169,368,768	0	169,368,768
REVENUE			
Base Revenue	613,415,685	0	613,415,685
Fuel Revenue	468,498,428	0	468,498,428
Transmission Revenue	56,124,600	0	56,124,600
Transmission Rider	7,224,520	0	7,224,520
Other Revenue	79,446,015	0	79,446,015
Interest Income	5,558,351	0	5,558,351
TOTAL REVENUE	1,230,267,599	0	1,230,267,599
TRANSFERS IN			
Repair & Replacement Fund	0	0	0
Strategic Reserve Fund	0	0	0
TOTAL TRANSFERS IN	0	0	0
TOTAL AVAILABLE FUNDS	1,230,267,599	0	1,230,267,599
OPERATING REQUIREMENTS			
Fuel Expenses	490,198,429	0	490,198,429
Non-Fuel Operations & Maint.	227,408,487	12,000,000	239,408,487
Transmission Expense	65,969,077	0	65,969,077
Conservation	12,301,437	0	12,301,437
Conservation Rebates	17,701,346	0	17,701,346
Nuclear & Coal Plants Operating	85,280,658	0	85,280,658
Other Operating Expenses	5,750,000	0	5,750,000
TOTAL OPERATING REQUIREMENTS	904,609,434	12,000,000	916,609,434
OTHER REQUIREMENTS			
Accrued Payroll	730,000	0	730,000
Workers' Compensation	1,665,989	0	1,665,989
Liability Reserve	550,000	0	550,000
Administrative Support	15,189,559	0	15,189,559
Additional Retirement Contribution	6,392,545	0	6,392,545
27th Payroll Funding	(5,810,326)	0	(5,810,326)
27th Payroll Expense	5,810,326	0	5,810,326
TOTAL OTHER REQUIREMENTS	24,528,093	0	24,528,093
SUBTOTAL BEFORE TRANSFERS OUT	929,137,527	12,000,000	941,137,527
DEBT SERVICE			
General Obligation Debt Service	250,774	0	250,774
Debt Service (Principal and Interest)	169,187,132	0	169,187,132
TOTAL DEBT SERVICE	169,437,906	0	169,437,906

## EUC AGENDA ITEM 16

	2010-11 <u>AMENDED</u>	This <u>Action</u>	Amended <u>Budget</u>
TRANSFERS OUT			
Electric Capital Improvement Prog	74,015,000	0	74,015,000
General Fund	103,000,000	0	103,000,000
Trunked Radio	330,621	0	330,621
Economic Incentive Fund	758,334	0	758,334
Repair and Replacement Fund	0	0	0
Rev Bond Retirement Reserve Acct	0	0	0
TOTAL TRANSFERS OUT	<u>178,103,955</u>	<u>0</u>	<u>178,103,955</u>
TOTAL REQUIREMENTS	<u>1,276,679,388</u>	<u>12,000,000</u>	<u>1,288,679,388</u>
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	<u>(46,411,789)</u>	<u>(12,000,000)</u>	<u>(58,411,789)</u>
ADJUSTMENT TO GAAP	<u>0</u>	<u>0</u>	<u>0</u>
ENDING BALANCE	<u>122,956,979</u>	<u>(12,000,000)</u>	<u>110,956,979</u>
<b>FTEs</b>	1,721.00	0	1,721.00
Director Financial Planning & Budget	<u>David Kutach</u>		<u>12/3/2010</u>



**CITY OF AUSTIN - Contract and Land Management  
RECOMMENDATION FOR COUNCIL ACTION****AGENDA DATE: 01/27/2011**

**SUBJECT:** Authorize negotiation and execution of a contract with TRC ENVIRONMENTAL CORPORATION, Austin, TX, or one of the other qualified offerors to RFP Solicitation No. CLMB301, for the Holly Street Power Plant Decommissioning Project for \$24,905,361, plus \$1,245,268 contingency for a total not-to-exceed amount of \$26,150,629.

**AMOUNT AND SOURCE OF FUNDING:** Funding is available in the 2010-2011 Capital Budget of Austin Energy.

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

**FOR MORE INFORMATION:** Rose San Miguel 322-6260, Lynda Williams 974-3066, Sarah Terry 974-7141.

**PURCHASING LANGUAGE:** Best Value to the City of 6 proposals received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9A of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 22.56% MBE and 3.06% WBE subcontractor participation.

**BOARDS AND COMMISSION ACTION:** Recommended by the Electric Utility Commission.

**PRIOR COUNCIL ACTION:** September 24, 2009 – Council authorized the use of Competitive Sealed Proposal Alternative Project Delivery Method.

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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 constructed between 1960 and 1974. Holly Units 1 and 2 ceased operations in October 2004 and Units 3 and 4 ceased operations in September 2007. Regular communications with neighborhood representatives and the Holly neighborhood at large continue to provide information on the progress of this project through the use of monthly newsletters and meetings.

The decommissioning project consists of specialized construction services necessary for the deconstruction of an electrical power production facility, including but not limited to construction of a temporary road to facilitate removal of materials and equipment from the plant site, skilled labor and heavy equipment as required for the demolition and/or removal of equipment, tanks, boilers, structural steel and associated buildings. The services are to be provided by a duly qualified and experienced contractor offering best value to the City.

A five percent (5%) contingency is being requested for any unforeseen circumstances during decommissioning and will also allow for expeditious processing of change orders, if required.

The Holly Street Power Plant Decommissioning Project was issued as Competitive Sealed Proposal procurement. Local Government Code Chapter 271, Chapter H, Section. 271.116, provides for governmental entities to first attempt to negotiate a contract with the top-ranked firm who is determined to be the best value to the governmental entity. Pursuant to Statute, the “best value” determination shall be on weighted criterion and may include, but is not limited to, price, reputation, quality of product, past relationship with the governmental entity, total long-term cost to require goods or services, compliance with the historically underutilized business programs, and other relevant factors. In order to establish a level playing field for all prospective Offerors, the solicitation must contain the evaluation criteria factors and relative weights.

The Holly Street Power Plant Decommissioning project included fourteen evaluation criteria factors with weights ranging from 5 points to 25 points maximum. Of the fourteen evaluation criteria items, the four items which had the greatest maximum points are: “Price and Cost Recovery Strategy” valued at a maximum of 18 points; and “Comparable Project Experience” valued at a maximum of 22 points; “Team Structure, Work Approach and Delivery Schedule” valued at a maximum 25 points, and “Interview” valued at a maximum of 15 points. As is demonstrated above, “Team Structure, Work Approach and Delivery Schedule” and “Comparable Project Experience”, the two criteria factors with the larger weights applied indicate criticality and importance of those elements.

The statute goes on to state that if negotiations with the top-ranked firm are unsuccessful, the governmental entity shall end those negotiations and proceed to negotiate with the next contractor in the order of selection ranking. Council’s authorization of this request allows for such negotiations. If negotiations are required with the next contractor in the order of selection ranking, staff will return to Council prior to contract execution.

Notification of issuance of a Request for Competitive Sealed Proposals (RFP) for the subject services was issued on April 26, 2010. Forty-nine contractors who identified themselves as Prime Contractors obtained solicitation packets and on August 11, 2010, six proposals were received. None of the six contractors who submitted proposals are certified MBE/WBE firms.

TOP RANKED FIRM: TRC Environmental Corporation, Austin, TX

SECOND RANKED FIRM: Dixie Demolition, LLC, Birmingham, AL

Participation goals stated in the solicitation were: African American 1.22%; Hispanic 3.81%; Native/Asian 0.48%; and 1.22% WBE subcontractor participation. The top ranked and second ranked Contractors provided an MBE/WBE Compliance Plan that met the goals of the solicitation or provided good faith efforts and were approved by the Small and Minority Business Resources Department.

The Electric Utility Commission recommended approval of this item with concerns about the large price differentiation between the first and second proposals of approximately \$6.1 million, about 25 percent of the project cost, in relation to the small score difference on the evaluation matrix.

**Composite****Received:**August 11, 2010**Project:**Holly Street Power Plant Decommissioning Project**Project Manager:**Rose San Miguel**EVALUATION MATRIX**

<b>Firm (or Joint Venture)</b>	<b>Item 3 [Yes or No] Offeror Meets MBE/WBE Goals or G.F.E.</b>	<b>Item 4 [Yes or No] Safety</b>	<b>Item 5 [18] Price</b>	<b>Item 6 [22] Offeror's Comparable Project Experience</b>	<b>Item 7 [5] Offeror's Past Relationship with the City</b>	<b>Item 8 [5] Offeror's Financial Stability</b>	<b>Item 9 [25] Team's Structure, Work Approach &amp; Delivery Schedule</b>	<b>Item 10 [5] Implementation of Sustainable Processes</b>	<b>Item 11 [5] Team Experience with Austin Issues</b>	<b>Item 12 [5] Team's Local Business Presence</b>	<b>Item 13 [5] Outreach Approach</b>	<b>Item 14 [5] Reference Checks</b>	<b>Item 15 [15] Interview</b>	<b>[115] TOTAL POINTS</b>
TRC Environmental Corp.	Yes	Yes	11.62	19.30	4.00	3.00	22.50	4.50	4.60	3.00	4.50	4.20	12.00	93.22
Dixie Demolition	Yes	Yes	13.98	19.00	3.00	2.50	21.00	4.60	4.10	2.00	4.40	4.20	13.80	92.58
URS Corporation	Yes	Yes	11.41	17.60	4.40	5.00	17.50	4.00	4.50	1.00	4.40	4.20	10.85	84.86
Brandenburg Industrial Services Company	Yes	Yes	9.50	16.90	3.00	4.50	16.80	3.20	3.30	1.00	2.20	4.60		65.00
North American Dismantling Corp.	Yes	Yes	15.76	10.80	3.00	4.00	15.70	3.40	2.60	1.00	3.30	3.20		62.76
CST Environmental Corp.	Yes	Yes	14.40	13.40	3.00	3.00	13.20	1.60	0.80	1.00	1.60	4.40		56.40

**M/WBE Summary****TOP RANKED CONTRACTOR: TRC Environmental Corporation - Total Participation:**

<b>TOTAL – NON MBE/WBE PRIME</b>	<b>37.47%</b>
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TRC Environmental Corporation, Austin, TX	37.47%
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<b><u>MBE TOTAL – SUBCONTRACTORS</u></b>	<b><u>22.56%</u></b>
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African American Subtotal	1.38%
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(FB) All Points Inspection Services, Inc., Austin, TX (photography, construction)	0.06%
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(FB) Business Resource Consultants, Austin, TX	1.09%
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(minority & small business consulting, administrative services)	
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(MB) CADman Design & Building Group, Cedar Park, TX	0.23%
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(computer aided design services, minority and small business consulting)	
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Hispanic Subtotal	19.85%
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(MH) Central Road and Utility Ltd., Austin, TX	12.27%
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(water mains, manholes, construction sidewalk and driveway)	
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(MH) Viking Fence Company, Ltd., Austin, TX (fencing wire, chain link)	1.63%
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(MH) MG Limon Corporation, Del Valle, TX (hauling services)	5.95%
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Native/Asian Subtotal	1.33%
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(MA) DHL Analytical, Inc., Round Rock, TX	0.16%
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(laboratory and field testing services, laboratory for hazardous waste)	
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(MA) CAS Consulting & Services, Inc.	0.64%
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(transportation consulting, environmental consulting)	
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(MA) Mehta West Brashear Group, LLC dba JQ Infrastructure	0.53%
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(buildings, structures, components consulting)	
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<b><u>WBE TOTAL – SUBCONTRACTORS</u></b>	<b><u>3.06%</u></b>
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(FH) Macias & Associates, L.P., Austin, TX (survey; not aerial or research)	0.43%
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(FW) Margaret Ambrosino dba Brown and Green Tree Care and	
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Consulting Co., Austin, TX	0.06%
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(landscaping; including design, fertilizing, planting)	
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(FH) EQ Consultants Group Austin, TX (communications; public relations consulting)	1.34%
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(FW) Energy Renewal Partners, LLC, Austin, TX	1.02%
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(environmental consulting, consulting services)	
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(FW) Liquid Waste Solutions, LLC, Austin, TX (portable toilets)	0.05%
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(FW) AFS Environmental, Inc., Cedar Park, TX	0.12%
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(stone, filter, for drainage and erosion control, landscaping, erosion control)	
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(FW) Industrial Asphalt, Inc., Austin, TX (asphalt patch material)	0.04%
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<b><u>NON M/WBE TOTAL – SUBCONTRACTORS</u></b>	<b><u>36.91%</u></b>
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LVI Facility Services, Inc., Houston, TX (asbestos maintenance, demolition services)	34.27%
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Highway Technologies, Inc., Austin, TX (barricades, traffic, portable)	0.51%
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Vibra-Tech Engineers, Inc., Austin, TX (vibration detecting and equipment)	0.19%
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US Security Associates, Inc., Austin, TX (security guards)	0.95%
Asphalt Paving Company of Austin, Buda, TX (construction, highway & road)	0.07%
Environmental Evolutions, Inc., Robstown, TX (hazardous material transportation and disposal service)	0.92%

**SECOND RANKED CONTRACTOR: Dixie Demolition, LLC - Total Participation:**

<b>TOTAL – NON MBE/WBE PRIME</b>	<b>67.00%</b>
Dixie Demolition, LLC, Birmingham, AL	67.00%

<b>MBE TOTAL – SUBCONTRACTORS</b>	<b>15.38%</b>
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African American Subtotal	8.37%
(FB) All Points Inspection Services, Austin, TX (construction photography)	0.06%
(MB) Austex Tree Service, Inc., Round Rock, TX (erosion control, vegetation stabilization, tree protection)	0.14%
(FB) Haynes-Eaglin-Waters, Austin, TX (construction mgmt., QA/QC, demolition services)	4.73%
(MB) J. Harper Construction Company, Inc., Austin, TX (asphalt pavers maintenance and repair)	0.19%
(MB) Triad Building Maintenance, Inc., Austin, TX (environmental consulting, conservation, resource mgmt/temp workers recycling, portable toilets)	3.25%
Hispanic Subtotal	5.98%
(MH) Advance Wireless Solutions, Austin, TX (cabling and electrical)	0.75%
(FH) Estilo Communications, Inc., Austin, TX (public relations consulting)	0.21%
(MH) Easy Drive Stake, Inc., Austin, TX (barricades)	0.03%
(MH) Sentry Security & Investigations, L.P., Austin, TX (guard and security services)	1.12%
(FH) Travis Paving & Excavating, Bastrop, TX (paving, resurfacing, parking lot)	1.41%
(MH) Chino's Trucking, Austin, TX (hauling)	2.45%
Native/Asian Subtotal	1.04%
(MA) BenQwest, LLC, Austin, TX (fuels)	1.04%

<b>WBE TOTAL – SUBCONTRACTORS</b>	<b>1.89%</b>
(FW) Cox/McLain Environmental Consulting, Austin, TX (environmental consulting)	1.89%

<b>NON M/WBE TOTAL – SUBCONTRACTORS</b>	<b>15.73%</b>
AmQuip Crane Rental, LLC, Birmingham, AL (crane/crane operator)	3.36%
ARC Abatement, Inc., Austin, TX (environmental remediation/abatement)	9.69%
Clean Harbors Environmental, San Antonio, TX (fluids removal & PCB abatement)	0.99%
FDR Safety, LLC, Brentwood, TN (safety personnel)	1.69%

## CIP BUDGET Fiscal Note

**DATE OF COUNCIL CONSIDERATION:**

1/13/2011

**WHERE ON AGENDA:**

Resolution

**DEPARTMENT:**

Austin Energy

**SUBJECT:** Authorize negotiation and execution of a contract with TRC ENVIRONMENTAL CORPORATION, Austin, TX, or one of the other qualified offerors to RFP Solicitation No. CLMB301, for the Holly Street Power Plant Decommissioning Project for \$24,905,361, plus \$1,245,268 contingency for a total not-to-exceed amount of \$26,150,629.

**FINANCIAL INFORMATION:**

Parent Project Name:

**Non Nuclear Decommissioning**

Project Authorization:

2010-2011 Approved Capital Budget

Current Appropriation	\$ 19,000,000.00	
Unencumbered Balance		\$ 9,799,026.96
Proposed Budget Amendment Item on 01/13/2011		\$ 17,000,000.00
Amount of This Action		(26,150,629.00)
Remaining Balance		<u><u>\$ 648,397.96</u></u>

Use of Remaining Balance:

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

Use of Any Remaining Funds After Completion of Project:

No remaining funds anticipated at this time.

Budget Manager

Signature: David KutachDate: 12/21/2010

UPCOMING PROCUREMENTS BY AUSTIN ENERGY						Purchasing Department Report • Electric Utility Commission • January 24, 2011					
	PROJECT NAME	ESTIMATED AMOUNT	CUSTOMER	ESTIMATED COUNCIL	DESCRIPTION						
1	Contractor to support AE's Energy Efficiency and Demand Side Management	\$850,000/yr	Distributed Energy Services	March	Provide technical information and analysis including developing and evaluating demand response programs, the delivery of energy efficiency programs, and demand side program gap analysis						
2	Rental of Back-Up Equipment, as needed	\$182,000/yr	On-Site Energy Resources	March	Annual agreement for back-up equipment, as needed, including chillers, boilers, and generators for both downtown cooling plants, Mueller, and Domain						
3	Stormwater Pond Maintenance	\$150,000/yr	Environmental Care & Protection	March	Annual agreement for maintenance and repair to Stormwater Ponds owned, operated by, or affecting AE, in compliance with environmental criteria and regulations						
4	Temporary Staffing Services	\$4,500,000/yr	Customer Care	March	Temporary Staffing Services for personnel for inbound customer service representatives for the AE Customer Service Center and Austin 3-1-1						
5	Thermal Energy Storage	\$400,000	Distributed Energy Services	March	Grant funded project to install at TechniCenter Plant						

**ELECTRIC UTILITY COMMISSION**  
**Tentative Schedule of Upcoming Briefings and Reports**  
**In addition to Financial (Jan-Oct), Procurements,**  
**and DPA/Disconnection (May-Sept) Reports**

**JANUARY 24, 2011**

- AE Quarterly Briefing incl. rate review update, renewable energy planning, affordability forecasting, and near term strategies (Weis)
- Briefing on Customer Care & Billing Project (Gutierrez)
- Customer Privacy issues (Gutierrez, Perny)
- Tariff for Electric Vehicle Charging Stations (Rabago)
- Energy Efficiency Cost Recovery Rider (Rabago)
- Quarterly Report: M/WBE Goals (Purchasing Office)—submitted via email

**FEBRUARY 28, 2011**

- Monthly Update on Rate Redesign Process (Weis)
- Austin Climate Protection Program Quarterly Report (Athens)
- Nodal Market (Dreyfus, Sweeney)
- Meter Implementation Project Briefing (Wood)
- Legislative Update (Alofsin, Mitchell)

**MARCH 21, 2011**

- Monthly Update on Rate Redesign Process (Weis)
- Power Factor (Rabago)
- Fuel Hedging Program (Sweeney)
- Legislative Update (Alofsin, Mitchell)

**APRIL 18, 2011**

- Legislative Update (Alofsin, Mitchell)
- Quarterly Report: M/WBE Goals (Purchasing Office) —submitted via email
- AE Quarterly Briefing (incl. rate redesign process update) Weis

**MAY 16, 2011**

- Monthly Update on Rate Redesign Process (Weis)
- Austin Climate Protection Program Quarterly Report (Athens)
- Legislative Update (Alofsin, Mitchell)