

SUBJECT: Authorize award and execution of a contract through the TEXAS MULTIPLE AWARD SCHEDULE (TXMAS) cooperative purchasing program with **TRANE U.S., INC.**, La Crosse, WI, for the purchase and installation of a centrifugal chiller at the John Henry Faulk Library in an estimated amount not to exceed \$203,229.

AMOUNT & SOURCE OF FUNDING: Funding is available from the 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. No match is required.

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

PURCHASING: Cooperative Purchase

PRIOR COUNCIL ACTION: February 4, 2010 - Approved acceptance of \$7,492,700 grant from DOE amending the budget.

BOARD AND COMMISSION ACTION: To be reviewed by the Resource Management Commission on February 15, 2011 and the Electric Utility Commission on February 28, 2011.

MBE/WBE: This Cooperative Contract is exempt from the MBE/WBE Ordinance. This exemption is in compliance with Chapter 2-9D of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). However, Trane U.S., Inc. will subcontract with Mid State Plumbing (WBE) (18%) and with JS Electric (WBE) (2.2%).

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

This contract is for the purchase and installation of a centrifugal chiller for the John Henry Faulk Library to replace an old, inoperable chiller. Chillers are refrigeration units that cool water to be distributed to buildings for the purpose of temperature and humidity control. Once the chilled water is used it is returned to the chiller, and the water is chilled once again and sent out back through a continuous loop.

The chiller being replaced provides chilled water for the J.H. Faulk Library and Austin History Center campus. When the Faulk Library was constructed in the 1970s, the mechanical systems were designed for two (2) chillers. One of those chillers was replaced in the 1990s. That chiller recently failed and cannot be repaired. As a result, both buildings are being cooled by the remaining original chiller. This chiller is nearing the end of its life span, and is no longer an efficient component of the air conditioning system at the facility.

This contract with Trane U.S., Inc. will replace the failed chiller with a new high efficiency machine, and install two (2) variable frequency drives (VFD) on the pumps that serve it. The new chiller and VFD combination will reduce energy consumption and facility maintenance. This can greatly reduce operating costs, and will provide a significant reduction of the City of Austin's carbon footprint.

Through a separate, related purchase, two cooling towers will be provided by Trane U.S., Inc. and will be funded by the Library Department. The towers are used to reject the heat produced by the chiller to the environment.

This action will result in reducing the facility's electrical demand by an estimated 20.4 kW, and annual energy usage by an estimated 113,150 kWh per year. These savings are equivalent to an estimated 75 tons of Carbon Dioxide, 152,547 vehicle miles traveled, removal of 13 cars from our roadways, the planting of 1,745 trees, or 87 acres of forest in Austin's parks.

Trane U.S., Inc is contracted through TXMAS to provide this service and equipment to other public entities state-wide. The cooperative purchasing program is coordinated by the State of Texas, Comptroller of Public Accounts and allows the City to use TXMAS contracts that have been developed from contracts that were competitively bid and awarded by the General Services Administrations Federal Supply Service. This expedited purchasing process is ideally suited to the expedited project completion requirements associated with ARRA Federal grants. A separate procurement for this equipment could compromise Austin Energy's ability to timely complete this money-saving project.

M/WBE Summary

Although Cooperative Purchases are exempted from the MBE/WBE Procurement program and no goals were established for this contract, Trane U.S., Inc., identified the following subcontracting opportunities:

NON MBE/WBE - PRIME

Prime – Trane U.S. Inc.	<u>\$162,159.00</u>	<u>79.8%</u>
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WBE

<u>\$41,070.00</u>	<u>20.2%</u>
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Mid State Plumbing	<u>\$36,550.00</u>	18.0%
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Austin, TX

Heating, Ventilating and Air Conditioning

J S Electric Inc	\$4,520.00	2.2%
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Buda, TX

Electrical