

**SUBJECT:** Authorize award, negotiation, and execution of a 24-month requirements service contract with **WATER MANAGEMENT, INC., TX** to provide industrial, commercial, and institutional (ICI) water audits for Austin Water Utility with three 12-month options, for a total estimated contract amount not to exceed \$825,000.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$375,000 is available in the Fiscal Year 2011-2012 Operating Budget of the Austin Water Utility. Funding for the remaining 16 months of the original contract period and remaining 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:** Brenda Helgren, Sr. Buyer/974-9141

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** To be reviewed by the Resource Management Commission on November 15, 2011. To be reviewed by the Water and Wastewater Commission on December 14, 2011.

**PURCHASING:** Best evaluated proposal of two 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). No subcontracting opportunities were identified; therefore, no goals were established for this contract.

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This contract is for Industrial, Commercial, and Institutional (ICI) water audits. Because ICI customers consume nearly one-third of total water used, Austin Water is enhancing efforts to assist this sector in realizing potential water savings and increasing water efficiency. The ICI Commercial Audit contract will allow Austin Water to expand its Commercial Process Water Evaluation Program by providing free professional comprehensive water evaluations to selected ICI customers. These customers may be participants in the 3C Business Challenge or Green Business Leaders programs; facilities identified by Austin Water staff as top ICI water users; applicants for Austin Water's Special Process Rebate or WaterWise Partner programs; or ICI customers requesting assistance in identifying water saving opportunities.

During each evaluation, the auditor will:

- Troubleshoot inefficiencies and system breakdowns,
- Measure of fixture end use,
- Check for the presence of leaks, and
- Evaluate, optimize, and troubleshoot cooling towers, boilers, evaporative coolers, single-pass cooling systems, and other water-using fixtures such as pools, fountains, productions processes, toilets, faucets, sprayers, ice machines, dishwashers, and laundry equipment.

After an evaluation is completed, the auditor will develop a detailed, site-specific written report of findings that will include costs to implement recommended water-saving measures, the volume of water savings that can be achieved, and a return on investment projection. Participating customers will gain increased awareness of: 1) areas where water is being used inefficiently; 2) opportunities for reducing water use by installing water-efficient equipment and processes or incorporating reclaimed water into facility operations; and 3) available Austin Water rebate programs that assist with making water-efficient upgrades.

Because Water Conservation staff will accompany the auditors on selected water process evaluations, this contract provides an opportunity for staff to gain increased knowledge in the areas of commercial audits and ICI equipment. This training will enable more staff than are currently available to continue offering commercial audits after the contract period expires.

MBE/WBE solicited: 10/8

MBE/WBE response: 0/0

### **PRICE ANALYSIS**

- a. Adequate competition.
- b. One hundred forty-two notices were sent, including 10 MBEs and 8 WBEs. Two proposals 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. Best evaluated proposal.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American Statesman and on the Internet.