



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	25673	Agenda Number	
Meeting Date:	August 8, 2013			
Department:	Purchasing			
Subject				
Authorize award and execution of a 12-month requirements service agreement with NESCO, LLC, for the rental of aerial devices and digger derricks in an amount not to exceed \$200,000, with two 12-month extension options in an estimated amount not to exceed \$200,000 per extension option, for a total estimated contract amount not to exceed \$600,000.				
Amount and Source of Funding				
Funding in the amount of \$200,000 will be available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy. Funding for the extension options is contingent upon available funding in future budgets.				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is attached.				
Purchasing Language:	Sole bid received.			
Prior Council Action:				
For More Information:	Oralia Jones, Senior Buyer /512-322-6594			
Boards and Commission Action:	July 15, 2013 - To be reviewed by the Electric Utility Commission.			
MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.			
Related Items:				

Additional Backup Information

The contract with NESCO, LLC, Bluffton, IA, provides for the rental of 45 foot digger derrick and aerial devices in 42, 45, 55, 65 and 90 foot classes (which describe the crane and bucket aerial equipment heights) as needed to supplement Austin Energy's fleet. The equipment can be rented on a weekly or monthly basis, and will be used by the Electric Service Delivery division for the maintenance, repair, storm restoration and installation of overhead lines for new transmission and distribution projects.

In recent years this type of rental agreement has been very useful for Austin Energy, utilizing it for emergencies such as storms. This contract is needed to fulfill operations required for capital projects and to meet unforeseen

necessities or emergencies. This contract will be used on an as-needed basis.

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

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Sole bid.
- b. Ninety-six notices were sent. There are no known MBE/WBEs available for this commodity code. One bid was received.
- c. The prices offered represents a 9% decrease to the last contract award made in March 2009.

APPROVAL JUSTIFICATION

- a. Sole bid received. NESCO, LLC is the current provider of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	25702	Agenda Number	
Meeting Date:	August 8, 2013			
Department:	Purchasing			
Subject				
<p>Authorize award and execution of two 24-month requirements supply agreements for the purchase of high voltage air switches for Austin Energy with: ROYAL SWITCHGEAR in an amount not to exceed \$697,250 with two 24-month extension options in an amount not to exceed \$697,250 per extension option, for a total contract amount not to exceed \$2,091,750, and with MORPAC INDUSTRIES, INC. in an amount not to exceed \$606,000, with two 24-month extension options in an amount not to exceed \$606,000 per extension option, for a total contract amount not to exceed \$1,818,000. The annual amount for all high voltage air switches required under these contracts will be for a total combined amount not to exceed \$651,625.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$108,604 is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy. Funding for the remaining 22 months of the original contract period and extension options is contingent upon available funding in future budgets.</p>				
Fiscal Note				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
Purchasing Language:	Lowest bids received.			
Prior Council Action:				
For More Information:	Gabriel Guerrero, Buyer II/322-6060			
Boards and Commission Action:	July 15, 2013 - To be reviewed by the Electric Utility Commission..			
MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (Minority Owned and Women Owned Business Enterprise Procurement Program) No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.			
Related Items:				
Additional Backup Information				

These contracts will provide for the supply of three different high voltage air switches. These air switches are devices used to separate power within a substation allowing Austin Energy (AE) to isolate and redistribute power in order to service equipment such as transformers and circuit breakers. Air switches are also used as a secondary safety precaution for field personnel providing an additional physical disconnect from electrical lines.

MBE/WBE Solicited: 1/0

MBE/WBE Bid: 0/0

BID TABULATION

IFB No. GGU0115

High Voltage Air Switches

(3 - line items)

Total Annual Amount

VENDOR	Item 1	Item 2	Item 3
Royal Switchgear Bessemer, AL	\$164,875	\$183,750	\$519,000
Morpac Industries, Inc. Tucson, AZ	\$233,750	\$231,250	\$303,000
Pascor Atlantic Bland, VA	\$348,975	\$376,800	\$517,220
Techline Inc. Austin, TX	\$245,225	\$228,350	\$435,300
Cleveland/Price Inc. Trafford, PA	\$249,575	\$253,125	\$429,200
Southern States, LLC Hampton, GA	\$306,800	\$279,025	\$452,100

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

PRICE ANALYSIS

- Adequate competition.
- One hundred and sixty seven notices were sent, including one MBE. Six bids were received, with no response from the MBE. There are no known WBEs for this commodity code.
- The pricing offered represents a 21% decrease to the last contracts awarded in March 2009. The decrease is due largely to competition and a new vendor offering lower prices for this commodity.

APPROVAL JUSTIFICATION

- Lowest bids received. Royal Switchgear is a current provider for some items. Morpac Industries, Inc. is not a current provider of these goods.
- The Purchasing Office concurs with Austin Energy's recommended award.
- Advertised on the Internet.



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

25701

Agenda Number

Meeting Date:

August 8, 2013

Department:

Purchasing

Subject

Authorize award and execution of a 24-month requirements supply agreement with W-S INDUSTRIAL SERVICES, INC. for condenser tube cleaning services for Austin Energy in an amount not to exceed \$255,506 with two 24-month extension options in an amount not to exceed \$255,506 per extension option, for a total contract amount not to exceed \$766,518.

Amount and Source of Funding

Funding in the amount of \$21,292 is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy. Funding for the remaining twenty two months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:

Lowest bid received.

Prior Council Action:

For More Information:

Gabriel Guerrero, Buyer II/322-6060

Boards and Commission Action:

July 15, 2013 - To be reviewed by the Electric Utility Commission.

MBE / WBE:

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

Related Items:

Additional Backup Information

This contract will provide for labor, supervision, tools and equipment to perform the cleaning of condenser tubes and tube sheets on an as-needed basis at Austin Energy's Decker Creek Power Station and Sand Hill Energy Center. Condenser tubes are used at these Austin Energy power plants to condense the exhaust from the steam turbines to obtain maximum efficiency and also to convert the steam into pure water which can then be reused in the boiler.

Services provided under this contract will include utilizing hydro-blast cleaning equipment to remove all unwanted foreign biological and scale build-up material, and debris from condenser tubes and tube sheets. The cleaning will return the tubes and tube sheets, when economically feasible, to original equipment manufacturer specifications. The

removal of the scale build-up and debris is necessary to maintain the overall effectiveness of the condenser and efficiency of the power plant, as well as remove the contaminants that could lead to corrosion of the tubes.

MBE/WBE Solicited: 2/0

MBE/WBE Bid: 0/0

BID TABULATION
IFB No. DKC0098REBID
Condenser Tube Cleaning
(3 - line items)

<u>Vendor</u>	<u>Total Bid - 12 months</u>
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W-S Industrial Services, Inc. Council Bluffs, IA	\$127,752.60
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Veolia ES Industrial Services Rockdale, TX	\$137,612.70
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A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office web site.

PRICE ANALYSIS

- a. Adequate competition.
- b. Thirty-six notices were sent, including two MBEs. Two bids were received, with no response from the MBEs. There are no known WBEs for this commodity code.
- c. The pricing offered represents a 36% increase to the average unit price for last contract awarded in March 2011. The increase can be attributed to competitive changes in the marketplace. The previous contractor is no longer in business.

APPROVAL JUSTIFICATION

- a. Lowest bid received. W-S Industrial Services, Inc. is not the current provider of these items
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

25700

Agenda Number

Meeting Date:

August 8, 2013

Department:

Purchasing

Subject

Approve ratification of a contract with AFFILIATED POWER SERVICES LP to provide repair services for the Heat Recovery Steam Generator at Austin's Energy's Sand Hill Energy Center in an amount not to exceed \$729,014.85.

Amount and Source of Funding

Funding is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:

Critical Business Need

Prior Council Action:

For More Information:

Terry Nicholson, Senior Buyer, 512-322-6586

Boards and Commission Action:

July 15, 2013 - To be reviewed by the Electric Utility Commission.

MBE / WBE:

This contract was awarded in compliance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). This was an emergency service contract; therefore, it is exempted under Chapter 791 of the Texas Local Government Code and no goals were established for this solicitation.

Related Items:

Additional Backup Information

This contract with Affiliated Power Services LP, Houston, TX, is for emergency repairs required on the Combined Cycle Unit Heat Recovery Steam Generator at Sand Hill Energy Center. The Heat Recovery Steam Generator is a boiler that uses the gas turbine exhaust to produce steam which, in turn, drives the steam turbine.

During an inspection, there was Flow Accelerated Corrosion damage at the upper headers rows. Without the Sand Hill Combined Cycle Unit in operational condition, Austin Energy is without 307 megawatts of its most efficient and low-emissions gas-fired generating unit. A contractor with specialized welding skills necessary to complete the task was required immediately to make repairs and return the unit to service in time for summer peak; therefore, the purchase was declared a critical business need.

Upon subsequent inspection, the vent piping was found to be bent causing the headers to be lower than normal; therefore, this equipment could not be reused and replacement was required. The total contract amount represents the amount for the original repairs of \$668,689.60 plus the cost for the additional repairs and materials of \$60,325.25 to replace the piping. The work was completed and the unit was successfully returned to service in late June.

DRAFT



MEMORANDUM

TO: Mayor and Council Members

CC: Marc A. Ott, City Manager

FROM: Larry Weis, General Manager

DATE: May 24, 2013

SUBJECT: Critical Business Need for repair at the Sand Hill Energy Center

ACTION:

As detailed below, and in accordance with City Council-approved purchasing procedures, I am designating as a Critical Business Need of Austin Energy, the immediate repair of the Combined Cycle Unit Heat Recovery Steam Generator. The cost for repairs is estimated at \$668,690. Without the Sand Hill combined cycle unit, Austin Energy is without 307 megawatts of its most efficient and low-emissions, gas-fired generating unit. It is imperative the repair be made as soon as possible, as daily high temperatures and possibly high energy prices quickly approach.

BACKGROUND:

The Heat Recovery Steam Generator is a boiler that uses gas turbine exhaust to produce steam which, in turn, drives the steam turbine. A contractor is required immediately to make repairs and return the unit to service in time for summer peak.

Austin Energy plans to bring this item forward for ratification by City Council. Please let me know if you have any questions. I can be reached at 322-6002.



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	25703	Agenda Number	
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Meeting Date:	August 8, 2013
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Department:	Purchasing
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Subject

Approve ratification of Amendment No. 3 to the contract with GRUENE ENVIRONMENTAL CONSTRUCTION LLC, for an emergency response to and remediation of a diesel oil release at the Decker Creek Power Station in an amount not to exceed \$260,000, for a total revised contract amount not to exceed \$1,767,615.

Amount and Source of Funding

Funding in the amount of \$260,000 is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Critical Business Need
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Prior Council Action:	December 9, 2010 - Approved contract
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For More Information:	Andrew Buyo, Buyer II / 512-322-6118
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Boards and Commission Action:	July 15, 2013 - To be reviewed by the Electric Utility Commission.
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MBE / WBE:	This contract was awarded in compliance with City Code Chapter 2-9C (Minority Owned and Women Owned Business Enterprise Procurement Program). This was an emergency service contract; therefore, it is exempted under Chapter 791 of the Texas Local Government Code and no goals were established for this solicitation.
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Related Items:	
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Additional Backup Information

This contract was awarded in January 2011 as a competitive procurement for a long term service contract for spill response and remediation of oil and other hazardous materials for Austin Energy. In October 2012, Amendment No. 1 was issued to administratively increase the contract amount by \$56,000. In December 2012, Amendment No. 2 was issued to exercise the first 24 month extension option to the contract term.

On May 23, 2013, Austin Energy staff discovered a diesel fuel leak below ground near a fuel storage tank at the Decker plant. Heavy rains were expected on Friday, May 24, and possibly throughout the weekend, considerably increasing the risk of surface water contamination, and a much larger remediation effort. Gruene Environmental

Construction, LLC was immediately dispatched to assess the extent of contamination and begin removing oil and oil-saturated soil. The existing contract did not have adequate funds remaining to cover the response and time-critical removal and disposal of soil, but due to the nature of the incident, moving forward with the qualified contractor was the least risk option. Austin Energy declared this as a Critical Business Need and Amendment No. 3 was issued to increase the contract authorization by \$260,000.

The incident was reported to federal, state, and local authorities within the required timeframe. State environmental inspectors were onsite within hours to confirm that Austin Energy's response was appropriate and in accordance with applicable regulations.

Contract Summary


Action	Description	Amount
Original Contract awarded 01/14/2011 to Gruene Environmental Construction LLC., New Braunfels, TX	Original 24-month contract	\$580,646
Contract Amendment #1	Administrative Increase	\$56,0000
Contract Amendment #2	Extension Option #1	\$290,323
Contract Amendment #3	Increase to contract per Critical Business Need.	\$260,000
Future Amendments	Extension Options # 2 & 3	\$580,646
Total Revised Contract Amount		\$1,767,615



MEMORANDUM

TO: Mayor and Council Members

CC: Marc A. Ott, City Manager

FROM: Larry Weis, General Manager 

DATE: May 31, 2013

SUBJECT: Critical Business Need for cleanup, remediation at Decker Creek Power Station

ACTION


As detailed below and in accordance with City Council approved Purchasing procedures, I am designating as a Critical Business Need of Austin Energy, the emergency response to and remediation of a diesel oil release at the Decker Creek Power Station. The estimated cost for work to date and to complete removal and disposal of saturated soil is \$260,000.

BACKGROUND

On May 23, 2013, Austin Energy staff discovered a diesel fuel leak below ground near a fuel storage tank at the Decker plant. Heavy rains were expected on Friday, May 24, and possibly throughout the weekend, considerably increasing the risk of surface water contamination, and a much larger remediation effort. Gruene Environmental Companies, currently under contract with Council authorization to respond to oil spills, was immediately dispatched to assess the extent of contamination and begin removing oil and oil-saturated soil. The existing contract did not have adequate funds remaining to cover the response and time-critical removal and disposal of soil, but due to the nature of the incident, moving forward with this qualified contractor was the least risk option.

The incident was reported to federal, state, and local authorities within the required timeframe. State environmental inspectors were onsite within hours to confirm that Austin Energy's response was appropriate and in accordance with applicable regulations.

Austin Energy intends to bring this item forward for ratification by the City Council in the near future. Please let me know if you have any questions.

A U S T I N C I T Y C O U N C I L				
A G E N D A				
				
Recommendation for Council Action (Purchasing)				
Austin City Council	Item ID:	25699	Agenda Number	
Meeting Date:	August 8, 2013			
Department:	Purchasing			
Subject				
<p>Authorize award and execution of a contract with CAPP, INC., for the purchase of heat exchanger plates for Austin Energy's District Cooling Plant #2 in an amount not to exceed \$66,630.</p>				
Amount and Source of Funding				
<p>Funding is available in the Fiscal Year 2012-2013 Capital Budget of Austin Energy.</p>				
Fiscal Note				
<p>A fiscal note is attached.</p>				
Purchasing Language:	Lowest responsive bid received.			
Prior Council Action:				
For More Information:	Oralia Jones, Senior Buyer /512-322-6594			
Boards and Commission Action:	July 15, 2013 - To be reviewed by the Electric Utility Commission.			
MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.			
Related Items:				
Additional Backup Information				
<p>This contract is for the purchase and delivery of heat exchanger plates needed to improve the performance of the existing heat exchangers owned by Austin Energy and located at the Silicon Labs customer site. Austin Energy owns and operates a district cooling system serving thirty-one customers in the Downtown Central Business District.</p> <p>The currently configured heat exchanger has an inefficient 7 degree approach. The purchase of these heat exchanger plates, which will be installed by AE personnel, will lower the approach to 4 degrees which will increase the chill water return temperature to the plants and improve plant performance. This project will allow Silicon Labs to be served with less flow of chill water. The chill water flow reduction will increase the chill water system efficiency and capacity to serve new downtown customers.</p>				

MBE/WBE solicited: 1/0

MBE/WBE bid: 0/0

BID TABULATION

IFB No. OPJ0009 RE-BID

Heat Exchanger Plates

(6 – line items)

Vendor**Total Bid**

Capp, Inc. Clifton Heights, Pa	\$66,630.00
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Products Unlimited, Inc. Justin, Tx	\$67,818.60
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Globe Electric Houston, TX	\$67,893.78
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Oilfield Components, Inc. Austin, TX	\$69,998.80
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Tranter Inc. Wichita Falls, TX	*
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* Non-responsive due to exceptions taken to the City's commercial terms and conditions.

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. Sixty-two notices were sent including one MBE. Five bids were received, with no response from the MBE.
- c. This is the first purchase of its type; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

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

**CITY OF AUSTIN - PURCHASING DEPT.
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME: JOHNSON CONTROLS, INC.**

AGENDA DATE: 8/8/2013

SUBJECT: Approve ratification of a contract with JOHNSON CONTROLS, INC. for the repair of a York® Ice Chiller at one of Austin Energy's Downtown District Cooling Plants in an amount not-to-exceed \$197,036.

AMOUNT AND SOURCE OF FUNDING: Funding in the amount of \$197,036 is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy.

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

FOR MORE INFORMATION CONTACT: Oralia Jones, Senior Buyer/512-322-6594

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on July 15, 2013.

PURCHASING: Critical Business Need.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-C 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.

This contract is for the repair of Ice Chiller #2 at the Paul Robbins District Cooling Plant by Johnson Controls, Inc., Austin, TX.

On May 6, 2013, a tube bundle failure in the ice chiller resulted in condenser water migrating into the refrigerant side of the chiller. Subsequent testing found 13 damaged condenser tubes. The damaged tubes were repaired on site, followed by a week-long drying process. A Critical Business Need memo was issued for \$138,980 to remove the compressor and ship it to the factory in Houston for disassembly, inspection, cleaning, replacement of all seals and reassembly. Upon disassembly of the compressors, the bearings were found to be worn and in need of replacement. The total contract amount represents the amount for the original repairs plus \$58,056 for additional work to replace the bearings.

With rising temperatures increasing demand on the Downtown District Cooling System, the timely repair was critical in order to provide reliable service to our chilled water customers. Not completing the repair to the failed chiller would result in a decrease in the plant's capacity to shift peak electrical demand by half, or roughly 2.5 megawatt hours (MWh). The current delivery lead time for this type of ice chiller repair is approximately four weeks; therefore, the purchase needed to be completed immediately as a critical business need in order to have the required repair in time for the summer peak season.



MEMORANDUM

TO: Mayor and Council Members

CC: Marc A. Ott, City Manager

FROM: Larry Weis, General Manager 

DATE: May 29, 2013

SUBJECT: Critical Business Need Authorization for repair of chiller at Downtown District Cooling Plant

ACTION:

As detailed below, and in accordance with City Council-approved purchasing procedures, I am designating as a Critical Business Need of Austin Energy, the immediate repair of a chiller at the Paul Robbins District Cooling Plant. The cost for repairs is estimated at \$138,980. With rising temperatures increasing the demand on our downtown chilled water plants, the timely repair is critical in order to provide reliable service to our downtown customers. There are two ice chillers at this plant and not completing the repair to the failed chiller would result in a decrease in the Downtown District Cooling System's capacity to shift peak demand cooling load by half, or roughly 15 megawatt hours (MWh).

BACKGROUND:

On May 6, 2013, a tube rupture in Chiller #2 at the Paul Robbins District Cooling Plant resulted in condenser water filling the refrigerant side of the condenser. Subsequent testing found 13 damaged condenser tubes. The damaged tubes have been repaired and an extensive drying process was conducted for about a week. However, it has been determined that additional work, including shipping the compressor to the factory shop in Houston for rebuilding, needs to be completed to bring the unit back to service as quickly as possible.

Austin Energy plans to bring this forward to City Council for ratification in the near future. Please let me know if you have any questions.



Recommendation for Council Action

Austin City Council	Item ID	25897	Agenda Number	
Meeting Date:	8/8/2013		Department:	Austin Energy
Subject				
<p>Authorize negotiation and execution of an agreement with Austin Children's Museum, to provide a performance-based incentive for the generation of solar energy at its facility located at 1830 Simond Ave., Austin, Texas 78723, for an estimated \$7,811 per year, for a total amount not to exceed \$78,118 over a 10-year period.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$7,811 is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy.</p>				
Fiscal Note				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
Purchasing Language:				
Prior Council Action:				
For More Information:	Jeff Vice 322-6087, Debbie Kimberly 322-6327, Leslie Libby 482-5390.			
Boards and Commission Action:	To be reviewed by the Electric Utility Commission on July 15, 2013, and the Resource Management Commission on July 16, 2013.			
MBE / WBE:				
Related Items:				
Additional Backup Information				
<p>Austin Energy requests authorization to enter into an agreement with the Austin Children's Museum, to provide a performance-based incentive (PBI) for an estimated \$7,811 per year, for a total amount not to exceed \$78,118 over the 10-year period, for the generation of solar energy at its new facility located at 1830 Simond Ave., Austin, Texas 78723.</p> <p>The total installation cost is \$165,620 and the incentive will cover between 45% and 47% of the cost. The PBI level for this project is \$0.12 per kWh for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 182 solar modules rated at 260 watts and associated inverters rated at 98% efficiency. A total of 36.4 kW-AC in demand savings is expected.</p> <p>This energy improvement will save an estimated 62,000 kWh per year—enough to provide electricity to five average Austin homes for a year—and produce an estimated 62 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 956 trees or 48 acres of forest in Austin's parks or the removal of 83,586 vehicle miles or 7.1 cars from Austin roadways. This project will save 37.2 tons of Carbon Dioxide (CO₂); 52 pounds of Sulfur Dioxide (SO₂); 57 pounds of Nitrogen Oxide (NO_x), and 40 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.</p>				

**CITY OF AUSTIN – PURCHASING DEPT.
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME: GREENBELT SOLAR**

AGENDA DATE: 08/22/2013

SUBJECT: Authorize award and execution of a contract with GREENBELT SOLAR for the purchase and installation of solar photovoltaic (PV) systems for four residential duplexes in the Guadalupe-Saldana Net Zero Energy Community, in an amount not to exceed \$68,500.

AMOUNT AND SOURCE OF FUNDING: Funding is available in the Fiscal Year 2012-2013 Capital Budget of Austin Energy.

FISCAL NOTE: A fiscal note is 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 July 15, 2013 and the Resource Management Commission on July 16, 2013.

PURCHASING: Sole responsive bid 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.

This contract will provide turn-key solar photovoltaic (PV) system installation for four residential, multi-family duplexes in the Guadalupe-Saldana Net Zero Energy Community located near the intersection of Goodwin Avenue, Webberville Road, and Tillery Street in East Austin. The objective of the project is to create a community of Net Zero Energy Homes in Austin including single-family and multi-family residences. The Net Zero project will benefit Austin Energy by allowing the utility to study the technologies, systems, strategies and occupant behaviors that will enable very low or net zero energy use homes to become the standard for new construction in Austin and beyond.

This contract will further advance the Resource, Generation and Climate Protection Plan to 2020, which calls for 35% of generation to be met through renewable sources, including 200 MW of solar power; and Austin Energy's 2003 Strategic Plan to promote energy conservation through the use of alternative energy sources.

This project's total system capacity is 27.6 kW. A total of 21.3 kW in demand savings is expected. This energy improvement will save an estimated 37,604 kWh per year—enough to provide electricity to three average Austin homes for a year—and produce an estimated 37 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 580 trees or 29 acres of forest in Austin's parks or the removal of 55,697 vehicle miles or four cars from Austin roadways. This project will save 25 tons of Carbon Dioxide (CO₂); 31 pounds of Sulfur Dioxide (SO₂); 35 pounds of Nitrogen Oxide (NOX); and 25 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.

MBE/WBE solicited: 1/2

MBE/WBE bid: 0/0

BID TABULATION

IFB TVN0087
Solar PV Equipment Supply & Installation Services
(2 – line items)

<u>Vendor</u>	<u>Bid Total</u>
Greenbelt Solar Austin, TX	\$68,500.
Solar Works LLC Austin, TX	*

* Non-responsive for failing to provide pricing information as required.

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. Fifty-two notices were sent including one MBE and two WBEs. Two bids were received with no response from the MBE/WBE's.
- c. This is the first purchase of its type; therefore, there is no direct pricing history available. However, the pricing of these systems at \$2.48 per watt installed compares favorably with recent prices for systems rebated by Austin Energy which averaged \$3.39 per watt installed in the second quarter of FY 2013. The previous solar PV installations were on commercial buildings and the scope of the projects; including the equipment to be installed, were different than those of this purchase.

APPROVAL JUSTIFICATION

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