

A G E N D A



Recommendation for Council Action (Purchasing)

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| Austin City Council | Item ID: | 25933 | Agenda Number | 40. |
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| Meeting Date: | August 8, 2013 |
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| Department: | Purchasing |
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Subject

Authorize award and execution of a contract with GREENBELT SOLAR for the purchase and installation of a solar photovoltaic (PV) system 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 attached.

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| Purchasing Language: | Sole responsive bid received. |
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| Prior Council Action: | |
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| For More Information: | Terry Nicholson, Senior Buyer, 512-322-6586 |
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| Boards and Commission Action: | July 15, 2013 - Unanimously approved by the Electric Utility Commission on a 5-0 vote. July 16, 2013 – Unanimously approved by the Resource Management Commission on a 4-0 vote. |
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| Related Items: | |
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| 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. |
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Additional Backup Information

This contract will provide turn-key solar photovoltaic (PV) system installation for four new-construction 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 Guadalupe-Saldana subdivision will be the first fully-affordable net zero energy subdivision in the U.S. It is a 7.2-acre Brownfield site in remediation and is being developed with 24 townhome units and 36 single-family and duplex homes. The development is funded, in part, with City of Austin Affordable Housing General Obligation Bonds. The development will serve low-income residents, including disabled persons and senior citizens with annual incomes at or below 50 percent of the Median Family Income (MFI) for the Austin-Round Rock Metropolitan Statistical Area.

The eight duplex units receiving PV installations will be comprised of four two-story duplexes including four one-bedroom, two-bath fully accessible units on the first floor for elderly or disabled residents (approximately 656 square feet) and four two-bedroom, two-bath units on the second floor (approximately 922 square feet). The four second floor units will be made available to participants of the Jeremiah Program, a program designed for single parents motivated to finish their formal education and end the cycle of poverty for their family.

In 2012, the Guadalupe Neighborhood Development Corporation (GNDC) received financing from the Austin Housing Finance Corporation and the Texas Department of Housing and Community Affairs Neighborhood Stabilization Program to construct the first phase of housing at the Subdivision. In January 2013, GNDC began construction on these four rental duplexes located along Paul Teresa Saldana Street. Construction is anticipated to be completed in September 2013.

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 goals set forth in 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 in Austin Energy's 2003 Strategic Plan calling for energy conservation through the use of alternative energy sources.

Each of the eight units will have its own solar array. Because these are "stacked" duplexes, the arrays for both dwelling units in each duplex structure will share roof space. A 3.7 kW system will be installed on the four upper units and 3.2 kW systems will be installed on the four lower units. 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 (NO_x); 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)

Vendor

Bid Total

Greenbelt Solar
Austin, TX

\$68,500

Solar Works LLC
Austin, TX

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* Non-responsive. Solar Works did not provide pricing information as required by the solicitation.

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.