

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	28683	Agenda Number	26.
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Meeting Date:	November 21, 2013
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Department:	Purchasing
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Subject

Authorize negotiation and execution of a 36-month contract with SMARTEBUILDING, for software subscription and support services for an information management system, designed to reduce customer energy consumption, in an amount not to exceed \$1,060,000, with three 12-month extension options in an amount not to exceed \$353,333 per extension option, for a total contract amount not to exceed \$2,120,000.

Amount and Source of Funding

Funding in the amount of \$360,000 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy. Funding for the remaining 26 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:	Sole Source.
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Prior Council Action:	
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For More Information:	Rosemary Ledesma, Purchasing Manager /512-322-6155
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Boards and Commission Action:	November 18, 2013 - To be reviewed by the Electric Utility Commission.
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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 contract.
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Additional Backup Information

This contract will establish a service agreement with SmarteBuilding to provide software for multi-use online subscription and support services for a cloud-based Information Management System designed to reduce energy consumption during times of peak demand. The agreement will provide for the management of a suite of residential, commercial, multifamily and industrial programs specifically designed for customer use and benefit. The agreement will also allow for the expansion of system applications including cloud-based platform and application services for use in Energy Conservation Audit and Disclosure (ECAD) compliance, rate estimation analysis, and support of the customer decision-making process in terms of energy use and efficiency programs.

The SmarteBuilding technical solution enables energy savings by providing customers with an easy-to-use, high-resolution, real-time view of their energy consumption, including alerts and analytics. It engages the customer in the process so they are active, involved participants in the energy consumption optimization of their home or commercial building.

This system will provide customers who sign up for the service with daily energy consumption reads. It allows customers to set up notifications via their cell phone or computer to alert them when their energy consumption is about to push them into a higher, more expensive tier. When notified, a customer may, for example, choose to reduce their consumption by changing the setting on their thermostat. Customers using the service will be provided with the information needed to understand energy use in order to better manage their consumption and costs. The goal is to raise consumer awareness about the relationship between behavior and energy consumption and, of course, reduce energy use during times of peak demand.

Social networking is at the heart of the user experience with this service. Users interact via messaging, email, and alerts, which are integral to this "social media energy management" system. This purchase will allow Austin Energy to continue to test the concept of energy management services and the merit of a social network approach.

Austin's existing building stock offers the greatest opportunities for energy savings. This tool will assist Austin Energy in capturing this potential savings. This social technology solution will help address consumer driven usage activity, reduce peak demand, and assist in reaching Austin Energy's goals for energy conservation.

SmarteBuilding collects energy usage as an automated benchmarking service. It also includes data storage and access capacity not available with other products and services currently on the market. The original contract for purchase of the existing system platform and residential tier awareness application for this software was awarded as a sole source purchase in 2012. SmarteBuilding is the sole developer and authorized distributor for the proprietary, cloud-base Information Management System software platform and application. Therefore, it is the sole source provider of the products and services to be provided under this contract.