

**CITY OF AUSTIN – CONTRACT MANAGEMENT DEPT.
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 01/23/2014

SUBJECT: Authorize execution of a construction contract with S J LOUIS CONSTRUCTION OF TEXAS, LTD., for the East 5th Street Chilled Water Piping Extension from San Jacinto to Red River Phase II Project, in the amount of \$4,290,938 plus a \$429,093.80 contingency, for a total contract amount not to exceed \$4,720,031.80.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2013-2014 Capital Budget of Austin Energy.

FISCAL NOTE: A fiscal note is required.

FOR MORE INFORMATION CONTACT: Imane Mrini 512-974-7060; Todd Shaw 512-322-6267

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on December 16, 2013.

PURCHASING: Lowest bid of three bids received.

MBE/WBE: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 6.29% MBE and 1.70% WBE subcontractor participation.

Austin Energy owns and operates two chilled water plants in the downtown area (the Paul Robbins Plant and District Cooling Plant #2), providing chilled water to its customers through underground transmission and distribution piping. In all, Austin Energy provides chilled water services to approximately 33 customers downtown including City Hall and the Austin Convention Center. The aggregation of customer chilled water load allows Austin Energy's District Cooling system to shift electrical demand from on-peak, when ERCOT prices are highest, to off-peak. The addition of new customers increases the potential electrical peak demand shift capability of the downtown system as well as increases gross revenue and profitability.

This project will extend Austin Energy's existing chilled water transmission and distribution piping in 5th Street from San Jacinto Blvd. to Red River Street with the objective of providing increased hydraulic capacity to serve a growing number of new customers and improve overall operation, efficiency and reliability for all downtown customers.

The project's scope of work consists of the installation of approximately 850 linear feet (LF) of large bore tunnel, 70 LF of hand-mine tunnel, 70 LF of pipe jacking, 2,100 LF of 30-inch welded steel chilled water supply, and return piping installed by trenchless methods, two primary work shafts, one connection shaft, one termination shaft, two 30-inch butterfly valves, one communication vault, two air release valve vaults, four connections to existing 30-inch underground chilled water piping system, modification or relocation of existing traffic signal wiring, water and sewer lines, traffic controls, pavement repair and miscellaneous work described in contract documents.

Due to the potential for encountering unknown conditions, a 10% contingency in funding has been included to allow for the expeditious processing of any change orders.

The contract allows 300 calendar days for completion of this project. This project is located within zip code 78701 and is managed by the Public Works Department.

S J Louis Construction of Texas, Ltd. is located in Mansfield, Texas.

M/WBE Summary

Bid documents were distributed to nine general contractors. Bids were opened on November 21, 2013. The bids included two allowances totaling \$45,000 to cover traffic signal relocations and chemical treatment of chilled water piping. S J Louis Construction of Texas, Ltd. submitted the lowest of three bids received:

S J Louis Construction of Texas, Ltd., Mansfield, TX	\$4,290,938.00
Layne Heavy Civil, Inc., Nashville, TN	\$4,931,242.75
Quest Civil Constructors, Inc., Phoenix, AZ	\$7,187,187.00

The contractor's choice of work methodology provides for 11 areas of subcontracting opportunities which are listed below. Project specific subgoals stated in the solicitation were 1.51% African American; 4.32% Hispanic; 0.38% Native/Asian; and 1.67% WBE. Total participation estimated on base bid amount of \$4,290,938:

NON M/WBE TOTAL – PRIME	\$3,488,138	81.29%
S J Louis Construction of Texas, Ltd., Mansfield, TX	\$3,488,138	81.29%
MBE TOTAL – SUBCONTRACTORS	\$270,000	6.29%
<u>African American Subtotal</u>	\$66,000	1.54%
(MB) Austex Tree Service, Round Rock, TX (erosion control)	\$6,000	0.14%
(MB) Trini Construction Builder, LLC, Austin, TX (excavation & demolition)	\$60,000	1.40%
<u>Hispanic Subtotal</u>	\$187,500	4.37%
(FH) Melendrez Trucking, LLC, Austin, TX (hauling)	\$50,000	1.17%
(FH) Central Texas Barricade, Inc, Bastrop, TX (traffic control)	\$40,000	0.93%
(FH) Macias & Associates, LP, Austin, TX (surveying)	\$10,000	0.23%
(FH) Alpha Ready Mix, LLC, Hutto, TX (ready mix concrete)	\$87,500	2.04%
<u>Native/Asian Subtotal</u>	\$16,500	0.38%
(FA) Metalink Corp, Austin, TX (fencing)	\$16,500	0.38%
WBE TOTAL – SUBCONTRACTORS	\$72,800	1.70%
(FB) All Points Inspection, Inc., Austin, TX (construction photos & video)	\$6,800	0.16%
(FW) MS Supply, Austin, TX (safety equipment)	\$26,000	0.61%
(FW) Champion Fuel Solutions, Bedford, TX (fuel oil, diesel)	\$40,000	0.93%

<u>NON M/WBE TOTAL – SUBCONTRACTORS</u>	<u>\$460,000</u>	<u>10.72%</u>
Hanson, Seguin, TX (Pipe Supplier)	\$460,000	10.72%

The Contractor submitted a MBE/WBE Compliance Plan that met the goals of the solicitation and was approved by the Department of Small & Minority Business Resources. Second and third low bidder information is provided.

SECOND BIDDER - Layne Heavy Civil, Inc., Nashville, TN \$4,931,242.75
85.02% NON M/WBE prime participation; 2.27% African American; 4.45% Hispanic; 0.38% Native/Asian; 2.00% WBE; 5.88% Non M/WBE subcontractor participation.

THIRD BIDDER - Quest Civil Constructors, Inc., Phoenix, AZ \$7,187,187.00
51.88% NON M/WBE prime participation; 1.51% African American; 4.32% Hispanic; 0.38% Native/Asian; 1.81% WBE; 40.10% Non M/WBE subcontractor participation.



EXHIBIT
PROJECT LOCATION MAP

JACOBS
911 Central Prky North, Ste. 425
San Antonio, Texas 78232
TBPE FIRM NUMBER - 2966
Ph: (210) 494-0088
Fax: (210) 494-4525

EAST 5TH STREET CHILLED WATER PIPING EXTENSION
FROM SAN JACINTO ST. TO RED RIVER ST.

MAY 2013

PROJECT NO. FEWE5100

**CITY OF AUSTIN – AUSTIN ENERGY
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 01/23/2014

SUBJECT: Approve issuance of a rebate to EDR Austin LLC, dba 2400 Nueces, for the installation of energy efficient equipment at its facility located at 2400 Nueces St., Austin, Texas 78705, in an amount not to exceed \$170,705.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2013-2014 Operating Budget.

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

FOR MORE INFORMATION CONTACT: Jeff Vice, Director, Local Government Issues (512) 322-6087; Debbie Kimberly, Vice-President, Distributed Energy Services (512) 322-6327; Scott Jarman, P.E., Consulting Engineer, Energy Efficiency Services (512) 482-5307.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on December 16, 2013 and by the Resource Management Commission on December 17, 2013.

Austin Energy requests authorization to issue a rebate to EDR Austin LLC (dba 2400 Nueces) in the amount not to exceed \$170,705 for new construction installation of energy efficient lighting, lighting controls, water source heat pumps, cooling towers, variable frequency drives and an energy recovery ventilation unit in accordance with the City of Austin's Commercial Rebate Program guidelines. This program is one element of Austin Energy's comprehensive Resource, Generation and Climate Protection Plan to 2020, approved in April 2010 by City Council and designed to reduce local air pollution through energy conservation, to reduce peak demand, and to assist customers in reducing electric consumption.

2400 Nueces is a high-rise commercial building project located near UT's main campus in Austin, Texas. The total cost of this project is \$52,542,596 and the rebate will cover 0.003% of the cost. The demand (kW) savings associated with this energy efficiency project is estimated at 322.28 kW, at a program cost of \$529.67 per kilowatt saved. The avoided kWh, estimated at 1,575,892 kWh per year, represents a major benefit to the local environment. This project will prevent the following air pollutants from being emitted: 946.3 metric tons of Carbon Dioxide (CO₂), 0.597 metric tons of Sulfur Dioxide (SO₂), and 0.660 metric tons of Nitrogen Oxides (NO_x).

In addition to the reduced air and toxic metals pollution, the project savings are also equivalent to an estimated 2,124,591 vehicle miles traveled, the removal of 181.3 cars from our roadways, or the planting of 24,310 trees or 1,215 acres of forest in Austin's parks. The project will also save approximately 709,151 gallons of water at the power plant.

**CITY OF AUSTIN – AUSTIN ENERGY
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 01/23/2014

SUBJECT: Authorize negotiation and execution of an agreement with Crystal Mountain, to provide a performance-based incentive for the generation of solar energy at its facility located at 9433 Bee Cave Road, Austin, Texas 78746, for an estimated \$36,419 per year, for a total amount not to exceed \$364,190 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$36,419 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy.

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

FOR MORE INFORMATION CONTACT: Jeff Vice, Director, Local Government Issues (512) 322-6087; Debbie Kimberly, Vice President, Distributed Energy Services (512) 322-6327; Kurt Stogdill, Interim Solar Program Manager (512) 322-6510.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on December 16, 2013, and the Resource Management Commission on December 17, 2013.

Austin Energy requests authorization to enter into an agreement with Crystal Mountain, to provide a performance-based incentive (PBI) for an estimated \$36,419 per year, for a total amount not to exceed \$364,190 over the 10-year period for the generation of solar energy at its regional distribution facility located at 9433 Bee Cave Road, Austin, Texas 78746.

The total installation cost is \$648,189 and the incentive will cover between 53% and 57% 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 759 solar modules rated at 295 watts and associated inverters rated at 96% efficiency. A total of 172 kW-AC in demand savings is expected.

This energy improvement will save an estimated 289,029 kWh per year—enough to provide electricity to 26 average Austin homes for a year—and produce an estimated 289 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 4,459 trees or 223 acres of forest in Austin's parks or the removal of 389,664 vehicle miles or 33 cars from Austin roadways. This project will save 191 tons of Carbon Dioxide (CO₂); 241 pounds of Sulfur Dioxide (SO₂); 267 pounds of Nitrogen Oxide (NOX); and 185 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere, and 226,063 gallons of water at the power plant.

**CITY OF AUSTIN – AUSTIN ENERGY
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE: 01/23/2014

SUBJECT: Authorize negotiation and execution of an agreement with Woodmark Apartments, to provide a performance-based incentive for the generation of solar energy at its facility located at 1735 Rutland Drive, Austin, Texas 78758, for an estimated \$24,645 per year, for a total amount not to exceed \$246,450 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$24,645 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy.

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

FOR MORE INFORMATION CONTACT: Jeff Vice, Director, Local Government Issues (512) 322-6087; Debbie Kimberly, Vice President, Distributed Energy Services (512) 322-6327; Kurt Stogdill, Interim Solar Program Manager (512) 322-6510.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on December 16, 2013, and the Resource Management Commission on December 17, 2013.

Austin Energy requests authorization to enter into an agreement with Woodmark Apartments, to provide a performance-based incentive (PBI) for an estimated \$24,645 per year, for a total amount not to exceed \$246,450 over the 10-year period for the generation of solar energy at its regional distribution facility located at 1735 Rutland Drive, Austin, Texas 78758.

The total installation cost is \$800,000 and the incentive will cover between 29% and 31% 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 604 solar modules rated at 265 watts and associated inverters rated at 95.5% efficiency. A total of 123 kW-AC in demand savings is expected.

This energy improvement will save an estimated 195,590 kWh per year—enough to provide electricity to 17 average Austin homes for a year—and produce an estimated 196 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 3,017 trees or 151 acres of forest in Austin's parks or the removal of 263,691 vehicle miles or 23 cars from Austin roadways. This project will save 129 tons of Carbon Dioxide (CO₂); 163 pounds of Sulfur Dioxide (SO₂); 180 pounds of Nitrogen Oxide (NOX); and 125 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere, and 152,980 gallons of water at the power plant.