

## AGENDA



## Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

46763

Agenda Number

RMC Agenda Item #3

Meeting Date:

June 18, 2015

Department:

Purchasing

### Subject

Authorize award, negotiation, and execution of 12-month contracts with 360 ENERGY SAVERS, LLC; RAM'S WEATHERIZATION & CONSTRUCTION, LLC; 1st CHOICE ENERGY, LLC; McCULLOUGH HEATING & A/C, INC; ENERGY GUYS; CITY CONSERVATION; AMERICAN CONSERVATION; VALDEZ REMODELING & WEATHERIZATION, INC. (MBE); AMERICAN YOUTHWORKS; CONSERVATION SPECIALISTS OF AUSTIN, LLC; and GREAT AMERICAN INSULATION, INC., or other qualified offerors to Request For Proposal No. OPJ0116, for basic weatherization services in an amount not to exceed \$2,800,000 with four 12-month extension options in an amount not to exceed \$2,800,000 for a total amount not to exceed \$14,000,000.

### Amount and Source of Funding

Funding in the amount of \$700,000 is available in the Fiscal Year 2014-2015 Operating Budget of Austin Energy. Funding for the remaining nine months of the original contract period and extension options are contingent upon availability in future budgets.

### Fiscal Note

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

**Purchasing Language:**

Best evaluated proposals for basic weatherization services.

**Prior Council Action:**



**For More Information:**

Oralia Jones, Senior Buyer Specialist, 512-322-6594

**Boards and Commission Action:**

June 15, 2015 - To be reviewed by the Electric Utility Commission.  
June 16, 2015 - To be reviewed by the Resource Management Commission.

**Related Items:**

**MBE / WBE:**

This contract will be awarded in compliance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. Per the City's Small and Minority Business Resources Department, no subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

### Additional Backup Information

These contracts are for home energy improvements for low-income residential customers. These improvements reduce energy costs and create a more comfortable and safe living environment. Currently, the need for weatherization services by low income customers in the Austin Energy service area far exceeds the available level of assistance. This action allows the City to contract with multiple qualified contractors to perform the required weatherization improvement services. Together, these contractors have weatherized over 12,000 single-family homes and 15,500 multi-family apartments. They

have required licenses, certificates, and provide on-going staff training for delivering quality services to the customers.

An initial audit of a home's energy performance conducted by Austin Energy will establish the priority of energy improvement measures necessary to increase the home's efficiency level. The basic weatherization services include sealing the building structure to address air infiltration, installing attic insulation, repairing or replacing ducts, installing solar screens, installing smoke detectors and carbon monoxide detectors, high efficiency window air conditioners, high efficiency lighting, repairing or replacing leaking faucets and low-flow shower heads. Some of the measures will be provided through partnerships with Austin Water, the Austin Housing Repair Coalition, and Texas Gas Service Company.

Additional community outreach will be optimized by partnering with non-profit organizations to align services for Austin Energy customers, as needed. Homes may receive weatherization services at a cost not to exceed \$5,500 per residence, with this value reduced for multi-family units.

The contractors selected have over 40 bilingual Spanish-speaking staff. Previously, some weatherization contractors have relied on Austin Energy staff to communicate with Spanish speaking customers.

A team with expertise in this area evaluated the proposals and rated these contractors as the best to provide these services. Evaluation criteria included price, demonstrated applicable experience, personnel qualifications, equipment, and local business presence. The solicitation allows for award to multiple offerors. All recommended offerors have agreed to the City's catalog pricing required as part of the evaluation process.

The current weatherization services contracts expire on May 15, 2015, and June 23, 2015. In order to continue providing weatherization services to Austin Energy customers, it is imperative the new contracts are awarded and in place as soon as possible to prevent a long break in services. Approval of this request allows for the development and execution of contracts with the qualified offerors.

MBE/WBE solicited: 51/9

MBE/WBE bid: 2/1

### **PRICE ANALYSIS**

- a. Adequate competition.
- b. 592 notices were sent including 51 MBEs and 9 WBEs. 15 responses were received, with two responses from MBEs and one response from a WBE.

### **APPROVAL JUSTIFICATION**

- a. Best evaluated responses received.
- b. The Purchasing Office recommends contract awards consistent with the findings of the evaluation committee.
- c. Advertised on the internet.