


| A U S T I N C I T Y C O U N C I L | | | | |
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| A G E N D A | | | | |
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| Recommendation for Council Action (CLMD) | | | | |
| Austin City Council | Item ID: | 52667 | Agenda Number | 8. |
| Meeting Date: | December 17, 2015 | | | |
| Department: | Capital Contracting Office | | | |
| Subject | | | | |
| Authorize execution of a construction contract with PIATRA INC., for the Austin Energy St. Elmo Storage Addition Project, in the amount of \$379,925 plus a \$37,992 contingency, for a total contract amount not to exceed \$417,917. | | | | |
| Amount and Source of Funding | | | | |
| Funding in the amount of \$417,917 is available in the Fiscal Year 2015-2016 Capital Budget of Austin Energy. | | | | |
| Fiscal Note | | | | |
| A fiscal note is attached. | | | | |
| Purchasing Language: | Lowest responsive bid of four bids received through a competitive Invitation for Bid solicitation. | | | |
| Prior Council Action: | | | | |
| For More Information: | Paul Sanchez, 512-322-6323; Rolando Fernandez, 512-974-7749; Sarah Torchin, 512-974-7141. | | | |
| Boards and Commission Action: | To be reviewed by the Electric Utility Commission on December 14, 2015. | | | |
| Related Items: | | | | |
| 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 11.27% MBE and 88.73% WBE participation. | | | |
| Additional Backup Information | | | | |

The rapid population growth in the City of Austin and Austin Energy's service territory has resulted in an increased customer base and an increased need for equipment and materials to serve more customers. This construction contract, for a 2,100 square foot addition to Austin Energy's existing 3,500 square foot St. Elmo Warehouse, will provide indoor storage for sensitive equipment required to serve electric customers.

The proposed addition will provide security for expensive and sensitive electrical equipment and proper storage of equipment currently stored outdoors. Austin Energy must keep an adequate stock of materials and equipment on hand for customer installations due to a long lead time in ordering much of these supplies.

The proposed addition to the warehouse is within the footprint of Austin Energy's St. Elmo Service Center which is located in a large industrial area south of East St. Elmo Road and just east of IH-35. This area does not include homes or neighborhoods.

A delay in this project could impact the security and functionality of the sensitive equipment being stored and could also delay various projects if an adequate supply of materials and equipment cannot be maintained.

Due to the potential for corrections and/or modifications, a 10% contingency in funding has been included to allow for the expeditious processing of any change orders. A contingency is an additional amount of money added to the construction budget to cover any unforeseen construction costs associated with the project.

The contract allows 180 calendar days for completion of this project. This project is located within zip code 78744 (District 3). The project will be managed by Austin Energy.

Piatra Inc. is located in Austin, Texas.

M/WBE Summary

Public notice was given for the solicitation documents for CLMC559 Austin Energy St. Elmo Storage Addition Project through the City's Vendor Connection web portal which resulted in 10 contractors receiving notification. Seven contractors obtained the bid documents and four bids were received and opened on October 15, 2015. Two of the four firms were certified MBE/WBE. PIATRA INC. submitted the lowest responsive bid of four bids received:

| | |
|---|----------------|
| Piatra, Inc. Austin, TX. (WBE /FW) | \$379,925 |
| RS Ellis Inc. dba Southwest Corporation, Austin, TX | \$390,075 |
| Majestic Services Inc. Austin, TX (MWBE /FB) | Non-Responsive |
| DeNucci Construction, LLC, Austin, TX | Non-Responsive |

The contractor's choice of work methodology provides for 8 areas of subcontracting opportunities listed below. Participation subgoals stated in the solicitation were 2.19% African American; 2.85% Hispanic; 1.16% Native/Asian; and 1.78% WBE. Total participation estimated on base bid amount of \$379,925.00:

| | | |
|----------------------------|---------------------|---------------|
| WBE TOTAL PRIME | \$337,107.45 | 88.73% |
| PIATRA INC., Austin, Texas | | |

| | | |
|---------------------------------|--------------------|---------------|
| MBE TOTAL SUBCONTRACTORS | \$42,817.55 | 11.27% |
|---------------------------------|--------------------|---------------|

| | | |
|---|-------------------|--------------|
| African American Subtotal | \$8,472.33 | 2.23% |
| (FB) All Points Inspection, Austin, TX (Construction Photography and Video) | \$1,671.67 | 0.44% |
| (MB) Robert E Ashford, Austin, TX (Hauling) | \$6,800.66 | 1.79% |

| | | |
|---|--------------------|--------------|
| Hispanic Subtotal | \$23,393.00 | 6.15% |
| (FH) Alpha Ready Mix, Hutto, TX (Ready Mix Concrete) | \$3,419.33 | 0.90% |
| (MH) Materials Products International LTD. Austin, TX (Rebar and Materials) | \$2,469.51 | 0.65% |
| (MH) Elite Mechanical of Texas Inc., New Braunfels, TX (Plumbing) | \$2,773.45 | 0.73% |
| (FH) Valdez Remodeling & Weatherization Inc., Austin, TX (Insulation) | \$14,703.10 | 3.87% |


| | | |
|---|--------------------|--------------|
| Native/Asian Subtotal | \$10,990.00 | 2.89% |
| (FA) Metalink Corporation, Austin, TX (Fencing Temporary) | \$1,481.73 | 0.39% |
| (MA) Trinh's AC Services LLC, Leander, TX (Mechanical) | \$9,489.13 | 2.50% |

| | | |
|---------------------------------|------------|-----------|
| WBE TOTAL SUBCONTRACTORS | \$0 | 0% |
|---------------------------------|------------|-----------|

| | | |
|---------------------------------------|------------|-----------|
| NON M/WBE TOTAL SUBCONTRACTORS | \$0 | 0% |
|---------------------------------------|------------|-----------|

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

SECOND BIDDER - RS Ellis dba Southwest Corporation, Austin, TX \$390,075.00
54.64% Non-M/WBE prime participation; 0.00% African American; 6.06% Hispanic; 2.56% Native/Asian; 5.85% WBE subcontractor participation; and 30.89% Non M/WBE subcontractor participation.

| A U S T I N C I T Y C O U N C I L | | | | |
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| A G E N D A | | | | |
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| Recommendation for Council Action (Purchasing) | | | | |
| Austin City Council | Item ID: | 53212 | Agenda Number | 68. |
| Meeting Date: | December 17, 2015 | | | |
| Department: | Purchasing | | | |
| Subject | | | | |
| Authorize award and execution of an amendment to the contract with PIKE ELECTRIC, LLC., for transmission and distribution construction and maintenance services to increase the contract authorization for the current contract period in an amount not to exceed \$2,000,000, for a revised total contract amount not to exceed \$41,000,000. | | | | |
| Amount and Source of Funding | | | | |
| Funding in the amount of \$2,000,000 is available in the Fiscal Year 2015-2016 Capital Budget of Austin Energy. | | | | |
| Fiscal Note | | | | |
| A fiscal note is attached. | | | | |
| Purchasing Language: | Contract Amendment | | | |
| Prior Council Action: | December 9, 2010 - Approved original contract, item # 36. June 4, 2015 - Approved amendment, item # 35. | | | |
| For More Information: | Leslie Giannattasio, Senior Buyer, 512-322-6583 | | | |
| Boards and Commission Action: | December 14, 2015 – To be reviewed by the Electric Utility Commission. | | | |
| Related Items: | | | | |
| MBE / WBE: | This contract was awarded in compliance with City Code Chapter 2-9C of the Minority Owned and Women Owned Business Enterprise Procurement Program through the achievement of good faith efforts with 4.85% MBE and 1.33% WBE participation. | | | |
| Additional Backup Information | | | | |

The contract is for transmission and distribution construction and maintenance services for Austin Energy. These services include customer service extensions, the removal and replacement of utility poles, storm-related outage restoration and distribution line relocations. The contract provides Austin Energy with ready access to contract labor and equipment for the performance of routine and emergency electrical transmission and distribution expansion and maintenance. Additional funding is needed due to continued development and growth in Austin Energy's service territory, including new multi-use developments, apartment complexes, residential subdivision phases and commercial developments; the widening of county roads and state highways; and requests for telecommunications attachments to the utility's infrastructure.

Austin Energy has responded to this growth by implementing system modification projects to directly serve load growth and support telecommunications projects while maintaining the overall reliability of its electrical transmission and distribution systems.

The extent of impact of these factors was not known or anticipated when the contract was renewed last year. The additional authority is necessary to ensure Austin Energy's ability to maintain electric reliability in its service area and support the electrical service needs of customer-driven construction projects. Approval of this amendment is requested in December 2015 to ensure sufficient spending authority until approximately April 2016. While the RCA for the new contract request is also on Council's December 17th agenda, this extension is necessary to give the City enough time to negotiate and execute the new contract.

Contract Authorization Summary

| Action | Description | Amount |
|--|--|--------------|
| Original Contract December 9, 2010, item # 36 | Original 24-month contract with three 12-month options | \$34,000,000 |
| Amendment June 4, 2015, item # 35 | Increase of contract authorization | \$5,000,000 |
| Proposed Amendment | Increase of contract authorization | \$2,000,000 |
| Total Revised Contract Amount | | \$41,000,000 |

M/WBE Summary

Participation goals stated for this project were 9.69% MBE and 1.42% WBE. Pike Electric provided a MBE/WBE Compliance Plan which was approved by the Small & Minority Business Resources Department (SMBR). Contractor's participation goals stated in the original approved compliance plan for this contract were: 4.85% MBE and 1.33% WBE.

Overall participation to date based on contract expenditures:

| | | |
|---|-------------------------|---------------|
| PRIME NON M/WBE TOTAL | \$ 33,589,936.71 | 93.85% |
| Pike Electric, Austin, TX | \$ 33,589,936.71 | 93.85% |
| MBE TOTAL SUBCONTRACTORS | \$ 1,336,112.58 | 3.73% |
| *(MB) Johnson Hauling, Austin, TX | \$ 268,786.55 | 0.75% |
| (MB) E&T Masonry Construction Co., Manor, TX | \$ 79,297.50 | 0.22% |
| (FH) Central Texas Barricade Inc, Bastrop, TX | \$ 143,038.53 | 0.40% |
| (MH) R W Gonzalez Office Products Inc, Austin, TX | \$ 21,150.89 | 0.06% |
| (MA) Benqwest LLC, Austin, TX | \$ 823,839.11 | 2.30% |
| WBE TOTAL SUBCONTRACTORS | \$ 776,266.86 | 2.16% |
| *(FW) George Cox Automotive Inc, Austin, TX | \$ 106,049.05 | 0.29% |
| (FW) N-Line Traffic Maintenance, Austin, TX | \$ 425,405.64 | 1.19% |
| (FW) MS Supply, Austin, TX | \$ 244,812.17 | 0.68% |
| NON M/WBE SUBCONTRACTORS | \$ 90,547.80 | 0.26% |
| *George Cox Automotive Inc, Austin, TX | \$ 9,411.65 | 0.03% |
| *Johnson Hauling, Austin, TX | \$ 81,136.15 | 0.23% |

**Firm no longer MBE/WBE certified through City of Austin.*

Overall participation summary based on contract expenditures as of October 2015 (not including this amendment):

PRIME:

93.85% Non-M/WBE


SUBCONTRACTORS:

3.73% MBE; 2.16% WBE; and 0.26% Non-M/WBE

TOTAL:

3.73% MBE; 2.16% WBE; and 94.11% Non-M/WBE

Item 6

| A U S T I N C I T Y C O U N C I L | | | | |
|---|---|-------|---------------|-----|
| A G E N D A | | | | |
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| Recommendation for Council Action (Purchasing) | | | | |
| Austin City Council | Item ID: | 53213 | Agenda Number | 69. |
| Meeting Date: | December 17, 2015 | | | |
| Department: | Purchasing | | | |
| Subject | | | | |
| Authorize negotiation and execution of a 24-month contract with PIKE ELECTRIC, LLC., or one of the other qualified offerors to Request for Proposal LAG0105, to provide transmission and distribution electrical services, in an amount not to exceed \$30,000,000, with three 12-month extension options in an amount not to exceed \$15,000,000 per extension option, for a total contract amount not to exceed \$75,000,000. | | | | |
| Amount and Source of Funding | | | | |
| Funding in the amount of \$200,000 is available in the Fiscal Year 2015-2016 Operating Budget of Austin Energy. Funding in the amount of \$8,550,000 is available in the Fiscal Year 2015-2016 Capital Budget of Austin Energy. Funding for the remaining 17 months of the original contract period and extension options is contingent upon available funding in future budgets. | | | | |
| Fiscal Note | | | | |
| A fiscal note is attached. | | | | |
| Purchasing Language: | Best evaluated proposal of four received. | | | |
| Prior Council Action: | | | | |
| For More Information: | Leslie Giannattasio, Senior Buyer, 512-322-6583 | | | |
| Boards and Commission Action: | December 14, 2015 - To be reviewed by the Electric Utility Commission. | | | |
| Related Items: | | | | |
| MBE / WBE: | This contract will be awarded in compliance with City Code Chapter 2-9A Minority Owned and Women Owned Business Enterprise Procurement Program through the achievements of good faith efforts with 0.66% MBE and 0.93% WBE participation. | | | |
| Additional Backup Information | | | | |

The contract is for transmission and distribution electrical construction and maintenance services for Austin Energy. These services include combinations of capital improvement and operating and maintenance activities. The contract provides Austin Energy with ready access to contract labor and equipment for the performance of routine and emergency transmission and distribution work. The services are primarily for service extensions, the removal and replacement of utility poles, residential distribution underground cable upgrades, storm related outage restoration and distribution line relocations.

Continued growth in the Austin area has contributed to the need to expand and upgrade electric infrastructure and acquire the materials and services to fulfill customer projects and meet electric utility reliability requirements. In response, Austin Energy must implement system modification projects such as installing new distribution and transmission facilities, and updating and improving existing facilities. This contract is critical to serving load growth and ensuring the reliability of the electrical system.

An Austin Energy evaluation team with expertise in this area evaluated the proposals and rated this proposal as the best to provide these services. Evaluation criteria used to evaluate the proposals include solution and program to accomplish the work, demonstrated applicable experience and personnel qualifications, price and local business presence.

This request allows for the development of a contract with a qualified offeror selected by Council. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease and staff will return to Council so that another qualified offeror may be selected.

The current contract expires in March 2016. Approval is requested in order to ensure an efficient transition to the new contract with no lapse in services.

MBE/WBE solicited: 33/12

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. 666 notices were sent, including 33 MBEs and 12 WBEs. Four proposals were received, with no response from the MBEs/WBEs. Multiple notices may be sent to the same vendor, e.g. one vendor may have multiple email addresses/fax numbers.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal.
- b. The Purchasing Office recommends contract award consistent with the evaluation committee.
- c. Advertised on the internet.

M/WBE Summary

Participation goals stated in solicitation LAG0105 Transmission and Distribution Electrical Services were 2.89% African American, .86% Hispanic, 1.59% Asian/Native American and 2.31% WBE. The recommended firm, Pike Electric, LLC, submitted a compliance plan, which was approved by the Small & Minority Business Resources Department. Firm has agreed to utilize the firms below as the scopes of work are assigned.

| | |
|---------------------------------------|----------------------|
| <u>NON MBE/WBE PRIME TOTAL</u> | <u>98.41%</u> |
|---------------------------------------|----------------------|

Pike Electric, LLC, Austin, TX

| | |
|---------------------------------------|--------------------|
| <u>MBE SUBCONTRACTOR TOTAL</u> | <u>.66%</u> |
|---------------------------------------|--------------------|

| | |
|--------------------------------------|--------------------|
| <u>African American Total</u> | <u>.47%</u> |
|--------------------------------------|--------------------|

(MB) RAW Trucking, Austin, TX (Trucking Services)

(MB) Lewis Clark Trucking, LLC, Pflugerville, TX (Trucking Services)

(MB) Unism Development Co. Inc., Austin, TX (Pole Pulling)

| | |
|------------------------------|--------------------|
| <u>Hispanic Total</u> | <u>.13%</u> |
|------------------------------|--------------------|

(FH) Travis Paving & Excavating, Inc. (Trucking Services)

(FH) Serna's Trucking, Austin, TX (Trucking Services)

| | |
|---|--------------------|
| <u>Asian/Native American Total</u> | <u>.06%</u> |
|---|--------------------|

(MA) BenQwest, LLC, Austin, TX (Fuel, Oil, Diesel)

| | |
|---------------------------------------|--------------------|
| <u>WBE SUBCONTRACTOR TOTAL</u> | <u>.93%</u> |
|---------------------------------------|--------------------|

(FW) N-Line Traffic Maintenance, Austin, TX (Traffic Control Equipment & Accessories Rental)

| | |
|---|------------------|
| <u>NON CERTIFIED SUBCONTRACTOR TOTAL</u> | <u>0%</u> |
|---|------------------|

EVALUATION MATRIX:
TRANSMISSION & DISTRIBUTION ELECTRICAL SERVICES
RFP LAG0105

| <u>Evaluation Category</u> | <u>Maximum Points</u> | PIKE ELECTRIC, LLC Austin, TX | T&D SOLUTIONS Alexandria, LA | MASTEC NORTH AMERICA, INC. Austin, TX | LINETEC SERVICES LLC Alexandria, LA |
|---|-----------------------|----------------------------------|---------------------------------|--|--|
| Solution & Program | 20 | 16.2 | 16.7 | 15.3 | * |
| Demonstrated Applicable Experience & Personnel Qualifications | 30 | 26.8 | 24.8 | 20.7 | * |
| Total Evaluated Cost | 40 | 39 | 40 | 36.4 | * |
| Local Business Presence | 10 | 10 | 2 | 10 | * |
| Total | 100 | 92 | 83.5 | 82.4 | * |

* Non-responsive. Did not meet the minimum requirements as stated in the solicitation.

NOTE: As per Section 252.049 of the local government code, contents of a proposal shall remain confidential until a contract is awarded or as directed by the Texas Attorney General's Office. Therefore, the matrix will include points awarded for price but exact pricing will not be disclosed.

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

AGENDA DATE: 01/28/2015

SUBJECT: Authorize execution of an agreement with Apple Inc. to provide a second performance-based incentive for the generation of solar energy at its facilities at 12535, 12545, 12555 and 12565 Riata Vista Circle, for an estimated additional \$49,102.15 per year and \$491,021.48 over a 10-year period, and a combined total with the previous estimated incentive of \$83,345.56 per year and \$833,455.60 over a 10-year period. (District 6)

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$49,102.15 is available in the Fiscal Year 2015-2016 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; Danielle Murray, Solar Program Manager (512) 322-6055.

BOARD AND COMMISSION ACTION: December 14, 2015 – To be reviewed by the Electric Utility Commission. December 15, 2015 – To be reviewed by the Resource Management Commission.

Austin Energy requests authorization to enter into an agreement with Apple Inc., to provide a performance-based incentive (PBI) for an amount not to exceed \$491,021.48, at levels ranging from \$0.02 to \$0.04 per kilowatt hour (kWh), over a 10-year period, for the generation of solar energy at its facilities located within Austin Energy's service area. This solar installation will have a total capacity of 707.6 kW-AC. Apple Inc.'s Northwest Austin campus is in the Riata Corporate Center located at 12535, 12545, 12555 and 12565 Riata Vista Circle in Council District 6.

Austin Energy entered into a previous agreement this year with Apple Inc. to provide a PBI for an amount not to exceed \$342,434.12 at \$0.04 per kilowatt hour (kWh) over a 10-year period, for a 437.7 kW-AC solar installation at the same location. The combined solar installations will have a total capacity of 1.145 MW-AC. The combined installation cost is \$3,128,850.02 and the combined incentives, which total \$83,345.56 per year, are expected to cover up to 27% of the total cost.

Austin Energy's solar program helps meet the community's solar goal of 950 MW by 2025, including 200 MW of local solar capacity, established in the updated Resource, Generation and Climate Protection Plan approved by City Council in December 2014. The solar program is designed to reduce the amount of electricity Austin Energy must purchase from the market and reduce associated greenhouse gas emissions.

These energy improvements will together generate an estimated 1,964,766 kWh per year—enough to power 174 average Austin homes for a year. This project will save 1,300 tons of Carbon Dioxide (CO₂); 1,640 pounds of Sulfur Dioxide (SO₂); 1,813 pounds of Nitrogen Oxide

(NOX); and 1,260 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere each year. These emissions reductions are equivalent to planting 30,309 trees or 1,515 acres of forest in Austin's parks or the removal of 2,648,846 vehicle miles or 226 cars from Austin roadways.

The Austin City Council launched Austin Energy's original solar photovoltaic (PV) rebate incentive program in 2004 (Resolution No. 040527-06) to benefit Austin residents and utility customers by: promoting the use of an environmentally-friendly and energy efficient renewable energy resource; promoting economic development for the development, recruitment and retention of renewable energy enterprises; and ensuring that Austin remains a local, national and international leader in the development and use of renewable energy.

In 2010, City Council approved Resolution No. 20100204-003, revising Austin Energy's solar program for commercial customers by replacing the upfront rebate with "performance-based" payments. The PBI solar program offers commercial customers payments based on the metered solar production of their approved PV system for the first 10 years of operation. Payments are made as a monthly billing adjustment to the customers' electric account.



Austin Energy Project Fact Sheet Solar Applications

| | |
|---|--|
| File Number(s) | PBI310-313 |
| Customer Name | Apple Inc. |
| Facility Addresses | 12535 Riata Vista Circle 12545 Riata Vista Circle 12555 Riata Vista Circle 12565 Riata Vista Circle Austin, TX 78727 District 6 |
| Estimated Incentives | \$49,102.15 per year for 10 years |
| Application Received Date | 11/30/2015 |
| Number of Modules | 2664 |
| Wattage per Module (STC) | 320 |
| Inverter Efficiency | 97.5% |
| Solar Contractor | Circular Energy |
| Installation Cost | \$1,835,547 |
| Estimated kWh Savings | 1,220,344 kWh per year |
| Estimated kW Demand Savings | 707.6 kW |
| Estimated Date of Completion | TBD |
| Site Information/Additional Comments | Apple Inc. Office and Tech Campus in NW Austin |

