



**City Council Questions and Answers for
Thursday, February 02, 2017**

These questions and answers are related to the
Austin City Council meeting that will convene at 10:00 AM on
Thursday, February 02, 2017 at Austin City Hall
301 W. Second Street, Austin, TX



Mayor Steve Adler
Mayor Pro Tem Kathie Tovo, District 9
Council Member Ora Houston, District 1
Council Member Delia Garza, District 2
Council Member Sabino Pío Renteria, District 3
Council Member Gregorio Casar, District 4
Council Member Ann Kitchen, District 5
Council Member Jimmy Flannigan, District 6
Council Member Leslie Pool, District 7
Council Member Ellen Troxclair, District 8
Council Member Alison Alter, District 10

The City Council Questions and Answers Report was derived from a need to provide City Council Members an opportunity to solicit clarifying information from City Departments as it relates to requests for council action. After a City Council Regular Meeting agenda has been published, Council Members will have the opportunity to ask questions of departments via the City Manager's Agenda Office. This process continues until 5:00 p.m. the Tuesday before the Council meeting. The final report is distributed at noon to City Council the Wednesday before the council meeting.

QUESTIONS FROM COUNCIL

Agenda Item # 2: Authorize negotiation and execution of an interlocal agreement with Austin Community College (ACC) to provide on-site chilled water services at ACC's Highland Campus located at 6101 Airport Boulevard. (District 4)

QUESTION: 1) Will the proposed Chilled Water Plant serve any other properties besides ACC Highland? 2) What are the expected/typical yearly O&M costs, including employee costs, for the future water chiller plant? 3) What is the cost-sharing being proposed between the City and ACC both for the capital expenditures and O&M? 4) How long will it take for the utility to recuperate the costs associated with this large capital expenditure through chilled water rates paid by ACC Pinnacle? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: 1) No, the total chilled water output of the proposed plant will serve ACC Highland exclusively. Cooling equipment will be purchased and installed in phases to match ACC Highland's sequenced campus build-out. 2) Annual O&M costs will vary depending on the phased load served. At total build-out, Austin Energy's annual O&M costs are expected to be approximately \$1.1 million. ACC Highland will pay a monthly commodity charge for chilled water consumed. In addition, an annual "true-up" will ensure all of Austin Energy's O&M expenses are recovered plus a 7% operating margin. 3) The split of capital cost sharing will be developed during the interlocal agreement (ILA) negotiation. Capital contributions from Austin Energy will be fully recovered over the life of the 30-year service agreement. O&M expenditure recovery is explained in answer # 2. 4) The recovery of costs will be included in the negotiated ILA with ACC for the Highland Campus exclusively. In keeping with Austin Energy's District Cooling business model, capital contributions (including the cost of capital) will be fully recovered over the life of the 30-year service agreement.

Agenda Item # 5: Approve an ordinance amending the Fiscal Year 2016-2017 City of Austin Fee Schedule, attached as Exhibit A to Ordinance No. 20160914-003, to change the fee for providing a zoning compliance letter from \$513 to \$51.

QUESTION: Why are we lowering this fee? What impact will it have on the

budget? COUNCIL MEMBER ALTER'S OFFICE

ANSWER: The Zoning Compliance Letter fee was increased during the FY 2016-17 budget process from \$35 to \$513, based on an erroneous time estimate used to complete the work. The time estimate should have been 0.5 hours, rather than 5.0 hours. The correct fee amount is \$51.

There is no impact to the revenue budget as a result of this change. This fee is seldom used and therefore was not included in the budget revenue projections.

QUESTION: Why was this item postponed from last week's agenda?
COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: This item was withdrawn as a result of a posting error. The posting for the January 26, 2017 agenda amended the fee for a zoning compliance letter from \$513 to \$35. The amendment should have been from \$513 to \$51. The posting has been corrected.

Agenda Item # 8: Authorize negotiation and execution of an interlocal agreement in the form of a Service Agreement with Travis County Emergency Service District # 4 (ESD 4) compensating the City of Austin for providing fire services within ESD 4, providing for the transition of current ESD 4 firefighters into the Austin Fire Department workforce, and providing for the disposition of ESD 4 property and equipment.

QUESTION: 1) What is the plan for existing ESD4 fire fighters who do not meet the standards described in the collective bargaining agreement? 2) What are the broader implications with respect to future annexations in this area, or others, of providing the fire service in this manner? COUNCIL MEMBER ALTER'S OFFICE

ANSWER: 1) Emergency Service District (ESD) 4 firefighters who are not selected to participate in AFD's academy, or do not pass AFD's training in the academy, will not be provided employment by AFD. Travis County and ESD 4 are exploring other options for their employment including working with the surrounding ESD's to see if they are willing to hire them since they are fully trained ESD firefighters. 2) Overall, regionalization of fire services provides for a more effective fire-fighting force and better service to residents. It reduces response time and enhances the emergency response in terms of the numbers of firefighters, apparatus and equipment. Regionalization can be accomplished through agreements with County Fire Departments (ESDs) and/or annexation of territory making it part of the City of Austin. The ESD 4 contract for service will result in AFD being able to provide services utilizing the two ESD fire stations – one serving the west area (by Emma Long Park) and one serving the east area (FM 969 & SH 130). The expanded fire service provision would include answering calls from residents who live within COA's limited purpose and Extra Territorial Jurisdiction (ETJ). All annexations are reviewed by the Planning & Zoning Department. City staff makes a presentation to Council on

the impact of an annexation prior to their taking action on whether or not to annex the property. When the City annexes territory that is located in an ESD, notices are sent to ESD residents informing them that the City intends to provide emergency services to the territory. The ESD is required to dis-annex and cease providing services to the area except as provided for by agreements between the City and the ESD. The ESD continues to operate with a reduced service area and its corresponding tax base. The City is required to compensate the ESD in an amount equal to the dis-annexed area's pro rata share of the ESD's total indebtedness, but all of the ESD's other assets and liabilities remain with the ESD. In the past, when a fire station was in the annexed area, the City made an offer to purchase the property and some of the related apparatus/equipment in order to facilitate providing a similar level of service. Payment for the property and assets is in addition to the compensation for the dis-annexed area's pro rata share of the ESD's total indebtedness.

Agenda Item # 9: Approve an ordinance waiving up to \$3,630 in Library Department photo/digital scan reproduction and publication fees for Arcadia Press, Inc., in exchange for royalties for use of Austin History Center historical photos.

QUESTION: The Request for Council Action suggests that the History Center has entered into agreements such as this one in the past (perhaps even with Arcadia). Please verify whether that is the case, and if so, indicate the amount of royalties the History Center has received on books published by Arcadia or other publishing houses with which the AHC has a similar arrangement.
MAYOR PRO TEM TOVO'S OFFICE

ANSWER: The AHC has entered into identical agreements in the past. This would be the 5th with Arcadia (and the only publisher we have entered into a similar agreement), though the first we've done since 2013. The Lost Austin book is the only one of the previous 4 with the identical royalty share agreement (percentage is based on the number of images used). I checked to see what we have made with Lost Austin, and to date, we have made \$3017.51 in royalties. The book is still in print and we anticipate to continue receiving royalties for the next 3-7 years. We will probably average about \$300 annually from here on out for this title (always more in the beginning, when the book is new). These titles are steady sellers. We continue to receive royalties on the first 2 titles we did more than 5 years ago.

QUESTION: Why is the City agreeing to royalties for 5 years and not indefinitely? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: When we did the first agreement in 2012, our counsel from the City Attorney's advised us to include a term and termination clause; the reasoning is it allows for a definitive end to a Council approved action so that Council is not approving an infinitive action without revisits or revisions.

The compromise reached was a 5-year term that automatically renews for a 2nd 5-year term. "The term of this Agreement and the License granted herein shall be for five years and shall become effective following approval by the Austin City Council of the fee waivers and upon signature of this Agreement by the last party to sign (Initial Term). The Agreement and the License shall automatically renew for one additional five-year term upon expiration of the Initial Term (Second Term)."

According to Arcadia, they usually keep their titles in print 5-7 years, on average, so the term should cover. In the event the book is still selling at 10 years, we would add an addendum to the original agreement to extend the term. The first agreement we have will come up for review in March 2022.

The termination clause is a protection for the City, however it does not preclude us from receiving the royalties from the sale of the book after the agreement is terminated. We will continue to receive royalties on the book as long as the publisher keeps it in print. We are not bound by the term of the license agreement for the payment of royalties of any of the books that still exist in inventory and that are sold after termination of the agreement.

So, in essence, it is in reality indefinite – we will receive royalties as long as the book is being sold, but it potentially requires some legal paperwork process to keep it going.

Agenda Item # 10: Approve an ordinance amending the Fiscal Year 2016-2017 Austin Public Library Operating Budget Special Revenue Fund (Ordinance 20160914-001) to appropriate interest earned from the Bill and Melinda Gates Foundation grant funds for the My Library Keeps Me Healthy initiative.

QUESTION: Please provide information about the initiatives that the "My Library Keeps Me Healthy" grant has funded. MAYOR PRO TEM TOVO'S OFFICE

ANSWER: This two-year grant program is a health literacy grant with partners that include Texas State University School of Social Work and the City Austin Public Health Department. Austin Free-Net is also part of the effort to help Austinites learn how to navigate Library web-based resources to find free reliable and trusted health information. Initiatives include offering weekly health screenings at Little Walnut Creek, Terrazas, and Faulk Central Libraries; providing one-to-one assistance learning how to use computers to access library health information resources; and providing referrals to individuals needing

social service assistance. In addition to the collaborative health team approach to finding free health-related information, outreach is conducted with community partners like the National Alliance on Mental Illness (NAMI Austin), the Latino HealthCare Forum, Travis County Veteran Services, and the Texas Department of Insurance. The Library reaches out to promote using and evaluating health information sources at events such as the upcoming Central Texas African American Family Support Conference at the Palmer Events Center in Austin, Texas. This conference provides opportunities to learn about mental health, developmental and intellectual disabilities, substance use disorder, co-occurring disorders. The Library is there to guide people to the free resources the Library provides that address mental and behavioral health and other health-related topics.

The movement of these funds will enable the purchase of a laptop and mobile internet access device to be used at Outreach events and in library locations by the health team workers in the My Library Keeps Me Healthy initiative.

Agenda Item # 13: Approve a resolution consenting to the issuance of multi-family private activity bonds by Austin Affordable PFC, Inc., an affiliate of the Housing Authority of the City of Austin, in an amount not to exceed \$20,000,000 to finance a portion of the cost to rehabilitate a multi-family rental development located at 1941 Gaston Place Drive that will be owned by Pathways at Gaston Place Apartments, LP. (District 1)

QUESTION: 1) What is the interest rate and term for this bond? 2) Are there terms for debt forgiveness? 3) Please provide a copy of the contract for Council review. COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: We contacted the staff of the Austin Affordable Housing Corporation, which currently owns 1941 Gaston Place and is an affiliate of the Housing Authority of the City of Austin (HACA). We were told by its project consultant that an interest rate of 1.5% to 2.5% is anticipated. The final interest rate will be "locked in" sometime between late March and mid-April. We are also told the bonds will be outstanding during the construction period of the development, and then repaid shortly after completion of construction, approximately 18-24 months.

The bonds must be repaid in full to the bond purchaser(s). There is no provision for forgiveness. There is no contract with the City of Austin associated with this item. The \$20,000,000 of bonds referred to are not being issued by the City or the Austin Housing Finance Corporation (AHFC), and the funds generated from the sale of the bonds will not be under the control of the City or AHFC. The rehabilitation of 1941 Gaston Place Drive is an effort being undertaken by HACA and its affiliated corporations.

The reason this item is before the Austin City Council is that Internal Revenue Service rules regarding the issuance of tax-exempt private activity bonds, such as these, require approval by the local governmental entity in which the project is located.

Agenda Item # 18: Authorize negotiation and execution of an agreement with AUSTIN TENANTS' COUNCIL for a 56-month term beginning on February 1, 2017 to provide housing-debt reduction negotiation services for clients enrolled in housing stability programs, in an amount not to exceed \$95,000.

QUESTION: The backup mentions that ATC was able to reduce the debt for 23 individuals. Were those individuals able to obtain housing they would not have otherwise? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: The backup mentions that ATC was able to reduce the debt for 23 individuals. Were those individuals able to obtain housing they would not have otherwise?

a. The purpose of the pilot project with Austin Tenants Council (ATC) is to reduce the debt of clients being served in by Austin Public Health direct and contracted case management staff. The 23 individuals were able to obtain housing with assistance of ATC because it lowered the amount of debt they owed. Clients typically request financial assistance to help them to secure housing and/or maintain housing. ATC negotiated about \$25,159 in debt. Clients were able to reduce or eliminate this barrier to housing.

Agenda Item # 19: Authorize negotiation and execution of Amendment No. 5 with Central Texas Food Bank, Inc. to increase funding for the provision of food to low income individuals and families and Supplemental Food Assistance Program outreach and enrollment services in an amount not to exceed \$88,246 for the initial period of September 1, 2015 through September 30, 2108, and funding for the three remaining 12-month renewal options in an amount not to exceed \$65,483 per renewal option, for a new total agreement amount not to exceed \$284,697.

QUESTION: Is the date in the "Subject" section of the RCA a typographical error? "...\$88,246 for the initial period of September 1, 2015 through September 30, 2108..." COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: Yes, the date in the "Subject" section of the RCA is a typographical error. It should read: September 30, 2018. The base term of the agreement being amended is a 37-month term beginning on September 1, 2015 and allocated across 3 fiscal years contingent upon City Council approval.

Agenda Item # 21: Authorize negotiation and execution of a 36-month contract with REPUBLIC SERVICES, or one of the other qualified offerors to Request For Proposals SLW0514, to provide citywide refuse, recycling organics and special waste collections for City facilities, in an amount not to exceed \$7,725,000, with three 12-month extension options in an amount not to exceed \$3,090,000 per extension option, for a total contract amount not to exceed \$16,995,000.

QUESTION: Please indicate whether this contract is new or replacing/renewing an existing contract. If replacing/renewing, who was the prior (current) vendor? If replacing/renewing, what was the amount of the

prior contract for the same/similar service? COUNCIL MEMBER GALLO'S OFFICE

ANSWER: The recommended offeror is the current provider for these services. Requested authorization amounts were determined using the departments estimated usage for current programs and locations as well as additional planned programs and locations. Also included is Class 2 waste from Austin Energy.

QUESTION: Is there an existing contract for this services? If so, who is it with and what are the terms/conditions of it? COUNCIL MEMBER ZIMMERMAN'S OFFICE

ANSWER: Yes, there is an existing contract with Republic Services. It was a 36-month contract with three 12-month extension options.

QUESTION: 1) Is this a single-source contract and if so, why? 2) please identify by name, address and district the landfills and/or facilities that will receive the refuse, recycling, organics and special waste collections? 3) Are those facilities identified in the contract? If so where? 4) What did the City do in the past to manage biosolid waste? 5) What is the City currently doing to manage biosolids? 6) Does this contract require the qualified responder to produce Dillo Dirt to sell to the public? If not, please identify the locations where will the biosolids be reused? COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER: 1) No it is not a single source contract. As stated in the RCA, a Request for Proposals (RFP) solicitation was issued and two offers were received. 2) All Municipal Solid Waste will be disposed of at: Waste Management Austin Community Landfill (District 1) 9900 Giles Lane, Austin, TX 78754. All recycling materials will be disposed of at: Balcones Resources (District 1) 9301 Johnny Morris Road, Austin, TX 78724. All organic material will be disposed of at: Organics by Gosh 13602 FM 969, Austin, TX 78724. All Class 2 Special Waste will be disposed of at: Republic Services Tesson Road Landfill (San Antonio) 7000 IH-10 East, San Antonio, TX 78219. These locations will be included in the contract. The contract will include the vendor's proposal which includes the locations.

Agenda Item # 25 Authorize award and execution of a 36-month contract with PRIESTER-MELL & NICHOLSON, INC., to provide gas-insulated padmount switchgear, in an estimated amount of \$11,081,934, with three 12-month extension options in an estimated amount of \$3,693,978 per extension, for a total contract amount not to exceed \$22,163,868.

QUESTION: 1) Please explain as simply as possible what a gas-insulated padmount switchgear is and does. COUNCIL MEMBER ALTER'S OFFICE

ANSWER: A pad mounted switchgear is a piece of equipment that contains

switches and/or interrupting devices, as needed, for: (1) connecting and disconnecting primary voltage underground circuits, transferring power between circuits, and connecting and disconnecting electrical devices (such as transformers); and (2) quickly and safely interrupting and isolating failed portions of circuits or failed equipment from the main circuit for repair or maintenance. These energized switches and/or interrupters are enclosed by a grounded, pad mounted metal cabinet. Various insulating mediums (air, oil, vacuum, and gas) are used in the cabinets to safely insulate the energized parts from the cabinet. Using gas allows the switchgear cabinet to be more compact physically, requiring less space and avoiding possible negative issues related to oil. Features of this equipment provide for better safety, better relay/fuse coordination, and better electric system reliability.

Agenda Item # 26 Authorize award and execution of a 24-month contract with TECHLINE INC., to provide network transformers, in an estimated amount of \$7,425,364, with three 12-month extension options in an estimated amount of \$3,712,682 per extension option, for a total contract amount not to exceed \$18,563,410.

QUESTION: 1) Please explain what "total owning cost" is. COUNCIL MEMBER ALTER'S OFFICE

ANSWER: Please see the attached bid sheet from Techline Inc. showing how the formula is applied. (See attachments)

QUESTION: Were there other bids on this contract? COUNCIL MEMBER ALTER'S OFFICE

ANSWER: Yes, there were a total of six bids received with one vendor deemed non responsive for not submitting all required documentation.

Agenda Item # 29: Authorize award and execution of a 36-month contract with INDUSTRIAL DISTRIBUTION GROUP INC. DBA ALAMO IRON WORKS, to provide reinforcing steel, in an estimated amount of \$844,870, with two 12-month extension options in an estimated amount of \$325,017 for the first extension option and \$357,518 for the second extension option, for a total contract amount not to exceed \$1,527,405.

QUESTION: 1) Was there only one bid? 2) Does this company manufacture the product or import it? If imported, what is the country of origin? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: 1) There was only one bid received for reinforcing steel. 84 solicitation notices were sent which included 15 M/WBEs. Many of the vendors were out of state and many were located too far out of the Austin area to meet the order/delivery requirements of the solicitation.

2) The recommended vendor is a distributor and does not manufacture these products. These products are manufactured domestically, here in Texas.

Agenda Item # 34: Authorize negotiation and execution of a 12-month contract with the AUSTIN HUMANE SOCIETY, to provide animal sterilization and wellness services, in an estimated amount of \$125,000, with two 12-month extension options in an estimated amount of \$125,000 per extension option, for a total contract amount not to exceed \$375,000.

QUESTION: Did this contract go before the Animal Advisory Commission? If not, why? COUNCIL MEMBER ALTER'S OFFICE

ANSWER: The Animal Services department did not bring this contract before the Animal Advisory Commission. The department does not have a history of submitting purchasing contracts (services or commodities) to the Animal Advisory Commission for approval/recommendation.

Agenda Item # 37: Authorize negotiation and execution of three 16-month contracts through the TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE (BUYBOARD), for the rental of medium and heavy-duty pneumatic rollers and milling machines, with ANDERSON MACHINERY, with COOPER EQUIPMENT CO. INC., and with HOLT CAT, in an amount not to exceed \$262,500 each and combined.

QUESTION: Please clarify the term "each and combined" in the RCA as it relates to the cost of these three contracts. Will each contract cost up to \$262,500, or will the three contracts combined cost up to \$262,500? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: In general, "each and combined" refers to a single authorization amount that is applied to multiple contracts. More specifically, "each and combined" is a method of requesting a single amount of contract spending authorization, and applying it to all of the contracts within the multiple-award. This single amount of spend authorization therefore represents the "combined" amounts of contract spend of "each" contract. For this contract, the three Contractors combined will be authorized up to \$262,500 total.

Agenda Item # 38: Authorize negotiation and execution of a contract with MCR PERFORMANCE SOLUTIONS LLC, to provide zero-based budget consulting services, in an amount not to exceed \$538,000.

QUESTION: 1) Is zero-based budgeting common within the energy industry? 2) What does Austin Energy hope to achieve with this contract and will the City Council receive periodic updates on these services? 3) Please provide the procurement documents and any other information on why Austin Energy is moving in the direction of zero-based budgeting. COUNCIL MEMBER POOL'S OFFICE

ANSWER: 1) Zero Based Budgeting is a common approach in utility and other industries to examine and reset budgets periodically by developing a budget

starting from zero resources. It forces organizations to justify resources based on outcomes, rather than on incrementally adjusting budget needs from past years' historical spend. It represents a significant amount of effort to evaluate all activities in an organization and as such, organizations do not perform this work every year. The recommended firm has performed these services with over half of the commercial utilities in the US. Austin Energy has had direct experience with the process and results at the South Texas Project. 2) Austin Energy is seeking to review and build the O&M and CIP budgets for the operations areas of the organization (the operations area is comprised of Generation, Transmission, Distribution, Information Technology, On-Site Energy Resources and supporting functions). The goal of the project is to identify areas for reduced costs/resources and to build a budget based on requirements as opposed to incrementally adjusting prior year requests/spend. The cost of the O&M zero based budget work is approximately \$340K with the CIP work estimated at \$192K. The operations areas represent approximately three quarters of the non-PSA spend of the utility. Austin Energy will provide updates to City Council, as requested. 3) Austin Energy is seeking to perform this work to support the affordability objectives set forth by Council and to manage costs under the new reduced base rate structure. Procurement documents are attached. (See Attachments)

QUESTION: 1) Why was there only one bid for this contract? 2) Does the City plan to hire similar consultants for the General Fund, Austin Water, and Austin Resource Recovery? If not, why not? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: 1) This contract is exempt from requirements for competition under Texas Local Government Code Chapter 252. Austin Energy selected this company for the following reasons as excerpted from the text of Agenda Item # 38:

"MCR Performance Solutions, LLC (MCR) has extensive experience in the utility sector and has conducted similar work with over half of the utilities in the United States. The firm has a proprietary assessment methodology, processes, templates and interview approaches which focus on identifying all aspects of controllable costs. In addition to MCR's industry experience, Austin Energy has direct experience with MCR's zero-based budgeting performed at the South Texas Project and the substantial savings their methodology returned. Due to MCR's experience and demonstrated performance in zero-based budgeting for utilities, Austin Energy believes this contract will provide the best value to the City and utility customers."

2) Using a consultant for zero based budgeting is a pilot program that Austin Energy is utilizing for a portion of their business. Depending on the results of this effort, Austin Energy could implement this process for the rest of their operation in following years. Again depending on the results, other departments may consider using this technique for future budgets. No other departments are using a consultant for zero based budgeting this budget cycle.

Agenda Item # 42: Approve a resolution initiating amendments to the Land

Development Code (Title 25) relating to requirements for expedited permitting of development projects.

QUESTION: 1) What constitutes a “Better Builder Program”? 2) Who defines it? 3) How will this be delineated in the code? 4) And how will a 3rd party as defined in this resolution be certified? COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

1 and 2) To our knowledge, the Workers Defense Project is the only organization that currently provides a Better Builder Program certification. As such, the definition used by the Development Services Department thus far comes from the Workers Defense Project. The Workers Defense Project describes the “Better Builder” as a program which works with real estate developers, public institutions, and companies who commit to investing in good and safe working conditions for construction workers. These developers are known as “Better Builders” and they seek to set a higher standard on their projects beyond minimum legal requirements. The Better Builder Program requirements include:

1. All construction contractors and subcontractors must follow all applicable local, state, and federal laws;

2. All construction workers must receive, at minimum, a living wage of \$13.50 per hour, as defined by the City of Austin, which may increase from time-to-time.

3. All construction workers must receive the OSHA-10 Hour Construction Industry training which provides an entry-level construction worker with general awareness on recognizing and preventing hazards on a construction site. Safety supervisors must receive OSHA-30 Hour Construction training that introduces construction industry employees to the basic practices of identifying, reducing, eliminating and reporting hazards associated with their work.

4. All construction workers must receive workers' compensation insurance coverage that does not include alternative plans.

5. The project owner must recruit 30% of its total labor hours from local, United States Department of Labor-registered apprenticeship programs or local bilingual craft training programs that offer instruction at minimal cost to the worker. The apprenticeship and craft training programs are limited locally.

6. The project owner must agree to allow on-site monitors onto the construction site once per pay period until the project has reached substantial completion.

3) With regard to how this will be delineated in code, the ordinance has not yet been drafted and will be forthcoming by the requested due date.

4) The proposed resolution does not require that the third party organization be certified but that commercial projects be certified as “Better Builder.” The third party would be the organization that can issue a Better Builder Certification.

QUESTION: Please provide the “policy options previously presented by the [Development Services] Department for residential projects and for small to

medium-sized commercial projects” which is referenced in Part 1 (A).
COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

On September 1, 2016, City Council adopted Resolution No. 20160901-029 directing worker protection standards be required of commercial projects with no residential component and that guidelines be developed regarding the scope, scale, and type of projects to which the worker protection standards apply. Since that time, the Development Services Department has worked to develop guidelines and released a draft for stakeholder input that included the following:

- Worker protection standards would be required of commercial projects that exceeded either 75,000 square feet in new construction/renovation or \$7.5 million in valuation
- Worker protection standards would not be required of residential-only projects
- Worker protection standards would not be required of commercial projects that include a residential component, including the following uses:
 - o Duplex (103 Two-Family Buildings)
 - o MF3-4 (104 Three- and Four-Family Buildings)
 - o MF5+ (Five or more Family Buildings)
 - o Mixed Use (106 Mixed Use)
 - o Single Family (101 Single-Family Houses)
- Worker protection standards would not be required of non-profit organizations with a 501c(3) designation and a local presence

QUESTION: 1) What is the advantage of waiving the public process of the Planning Commission (and presumably Zoning and Platting) review requirement in the expedited?

2) What does the expedited permit program look like at this point?

3) Will there be assurance that transportation impacts are recognized and accordingly addressed either by fee or improvements?

4) Would like to clarify how this expedited permitting process will affect the traffic impact analysis of a development.

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

1) On January 31, 2017, the Law Department provided City Council a memorandum regarding this aspect of the resolution.

2) Funding - City Council appropriated partial funding for the program within the Fiscal Year 2016/17 Budget. The funding is available March 1st, and the hiring of requisite plan review positions to implement the program will not occur prior March 1st.

Work Space - The Development Services Department is working with the Office of Real Estate Services (ORES) to develop the appropriate work space for the news positions to implement the program.

Other Status - On September 1, 2016, City Council adopted Resolution No. 20160901-029 directing worker protection standards be required of commercial projects with no residential component and that guidelines be developed

regarding the scope, scale, and type of projects to which the worker protection standards apply. If approved, the proposed resolution will result in the following:

- An ordinance will be drafted for Council consideration to provide the Development Services Department the authority to establish the program; and,
- Within the draft ordinance, the Development Services Department will identify the size of commercial projects for which a third-party "Better Builder Certification" will be required.
- Because the ordinance will contain the provision regarding commercial projects, the guidelines are not needed.

3 and 4) The Expedited Building Plan Review program only covers the building plan review and not the site plan review. Building plan reviews follow the site plan review process when site plans are required. Within the site plan review, a transportation review is performed.

- An example of a building plan review that does not require a site plan review would be an existing restaurant that desires to modify its kitchen.
- An example of a building plan review that follows the site plan review process is a greenfield development for which there are no existing buildings. The site plan is reviewed first for items such as transportation, environment, water quality etc. If the site plan is approved, the applicant can then seek a building plan review.

The Expedited Building Plan Review program does not have an impact on the traffic impact analysis of a development.

QUESTION: 1) Can staff provide details of the expedited permitting program guidelines for large commercial projects?

2) If this were to be in place last year, how many projects, under those guidelines, would have qualified for expedited permitting?

3) Assuming all of those qualifying projects would have used the expedited program, how much in revenue would be raised by the City through the expedited fee?

4) Given those same assumptions, how much in revenue would be paid to the third party monitor had all qualifying projects participated?

5) How many FTEs would the City need in order to do the monitoring itself on those projects?

6) What is the enforcement mechanism in place for the third-party monitor?

7) How will disputes between the property owner and third-party monitor be handled, and does the City assume any responsibility given the mandate for hiring the third-party monitor?

8) How many organizations issue Better Builder certification?

COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: See attachment.

QUESTION: Can staff confirm that our city contracts (including those that will be executed as part of the mobility bonds) come under Better Builder requirements for worker safety and protections? COUNCIL MEMBER POOL'S OFFICE


ANSWER: Currently we do not require City contractors to participate in the Better Buildings Program.


Agenda Item # 57: C814-2014-0120 – Austin Oaks PUD – District 10 – Conduct a public hearing and approve 2nd and 3rd readings of an ordinance amending Title 25 by rezoning property locally known as 3409, 3420, 3429, 3445, 3520, 3636, 3701, 3721, 3724, and 3737 Executive Center Drive and 7601, 7718 and 7719 Wood Hollow Drive (Shoal Creek Watershed) from community commercial (GR) district zoning, neighborhood commercial (LR) district zoning, limited office (LO) district zoning and family residence (SF-3) district zoning to planned unit development (PUD) district zoning. The ordinance may include waiver of fees, alternative funding methods, modifications of City regulations, and acquisition of property. City Council: Approved First Reading PUD zoning with conditions, December 15, 2016. Applicant: Graves Dougherty Hearon & Moody (Michael Whellan). Owner: Twelve Lakes LLC, Jon Ruff. City Staff: Andrew Moore, 512-974-7604.

QUESTION: 1) Please calculate the total pro rata share for transportation improvements for the Austin Oaks PUD.
2) If the total pro rata share differs from the amount in the official Traffic Impact Analysis memorandum, please identify the reasons for the difference.
3) Please identify any transportation improvements that were listed as necessary in the TIA memo that will not be funded by the applicant.
4) Please identify all of the transportation improvements in the TIA memo that will be funded solely by the City of Austin during the two construction phases of the development.
5) Please identify if a deceleration lane and an acceleration lane at Greystone Drive and SB MoPac frontage road are possible given the existing ROW available.
6) Please identify if any heritage trees would impair the installation of such lanes north and south of Greystone Drive and SB MoPac frontage road.
COUNCIL MEMBER POOL'S OFFICE

ANSWER: See attachment.

END OF REPORT - ATTACHMENTS TO FOLLOW

 The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.

 For assistance, please call 512-974-2210 or TTY users route through 711.

BID SHEET
CITY OF AUSTIN
NETWORK TRANSFORMER ANNUAL PRICE AGREEMENT

BID NO. IFB GGU0160REBID
RX NO. RQM-1100-16020200239
DATE: AUGUST 25, 2016
BUYER: GABRIEL GUERRERO

Special Instructions: Be advised that exceptions taken to any portion of the solicitation may jeopardize acceptance of the bid.

Note: Bidders shall input their offered products' **guaranteed** "No Load Losses" and "Winding Losses" in the "kW Lost" cells for each type of transformer specified on this Bid Sheet. These values will be used to calculate their offered product's Evaluated Price, which shall represent the total owning cost and be used to determine the best cost value for the City. For more information about contract award and cost evaluation reference Supplemental Purchase Provisions (Section 0400, Part 2.A) and Specifications E-708 & E-709 (Section 6.0).

ITEM	ITEM DESCRIPTION					ESTIMATED ANNUAL QUANTITY	UNIT	UNIT PRICE	EXTENDED PRICE	EVALUATED UNIT PRICE (UNIT PRICE + TOTAL LOSSES)	EVALUATED EXTENDED PRICE
1	Transformer, Network, 3-Phase, 500kVA, 12.47kV, 216Y/125 Volts In Accordance with latest revision of Specification E-708-13Jul16. Shall be manufactured with a Primary Mag-Break Switch with Sequential Grounding <div>AE P/N 16823</div>					10	EA	\$ 25,715.00	\$ 257,150.00	\$ 40,295.31	\$ 402,953.12
	<div>kW Lost</div> <div>\$/kW</div> <div>Losses</div>										
	No Load Losses:	<div>0.7980</div>	X	\$ 5,239.00	= \$ 4,180.72						
	Winding Losses:	<div>3.3300</div>	X	\$ 3,123.00	= \$ 10,399.59						
	Total Losses			= \$ 14,580.31							
	Manufacturer: Howard Industries										
	Part Number: 9485-009529-001										
2	Transformer, Network, 3-Phase, 750kVA, 12.47kV, 216Y/125 Volts In Accordance with latest revision of Specification E-708-13Jul16. Shall be manufactured with a Primary Mag-Break Switch with Sequential Grounding <div>AE P/N 16827</div>					6	EA	\$ 32,180.00	\$ 193,080.00	\$ 53,980.33	\$ 323,881.99
	<div>kW Lost</div> <div>\$/kW</div> <div>Losses</div>										
	No Load Losses:	<div>0.9100</div>	X	\$ 5,239.00	= \$ 4,767.49						
	Winding Losses:	<div>5.4540</div>	X	\$ 3,123.00	= \$ 17,032.84						
	Total Losses			= \$ 21,800.33							
	Manufacturer: Howard Industries										
	Part Number: 9489-009529-002										

3	<div>Transformer, Network, 3-Phase, 500kVA, 12.47kV, 480Y/277 Volts In Accordance with latest revision of Specification E-708-13Jul16. Shall be manufactured with a Primary Dead-Break Switch with Sequential Grounding</div> <div>AE P/N 16824</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>0.8610</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 4,510.78</td></tr><tr><td>Winding Losses:</td><td>3.0690</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 9,584.49</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 14,095.27</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9485-009529-003</div>		kW Lost		\$/kW		Losses	No Load Losses:	0.8610	X	\$ 5,239.00	=	\$ 4,510.78	Winding Losses:	3.0690	X	\$ 3,123.00	=	\$ 9,584.49	Total Losses				=	\$ 14,095.27	1	EA	\$ 25,602.00	\$ 25,602.00	\$ 39,697.27	\$ 39,697.27
	kW Lost		\$/kW		Losses																										
No Load Losses:	0.8610	X	\$ 5,239.00	=	\$ 4,510.78																										
Winding Losses:	3.0690	X	\$ 3,123.00	=	\$ 9,584.49																										
Total Losses				=	\$ 14,095.27																										
4	<div>Transformer, Network, 3-Phase, 1000 kVA, 12.47kV, 480Y/277 Volts In Accordance with latest revision of Specification E-708-13Jul16. shall be manufactured with a Primary Dead-Break Switch with Sequential Grounding</div> <div>AE P/N 16817</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>1.4640</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 7,669.90</td></tr><tr><td>Winding Losses:</td><td>5.4240</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 16,939.15</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 24,609.05</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9493-009529-004</div>		kW Lost		\$/kW		Losses	No Load Losses:	1.4640	X	\$ 5,239.00	=	\$ 7,669.90	Winding Losses:	5.4240	X	\$ 3,123.00	=	\$ 16,939.15	Total Losses				=	\$ 24,609.05	2	EA	\$ 32,770.00	\$ 65,540.00	\$ 57,379.05	\$ 114,758.10
	kW Lost		\$/kW		Losses																										
No Load Losses:	1.4640	X	\$ 5,239.00	=	\$ 7,669.90																										
Winding Losses:	5.4240	X	\$ 3,123.00	=	\$ 16,939.15																										
Total Losses				=	\$ 24,609.05																										
5	<div>Transformer, Network, 3-Phase, 1500kVA, 12.47kV, 480Y/277 Volts In Accordance with latest revision of Specification E-708-13Jul16. Shall be manufactured with a Primary Dead-Break Switch with Sequential Grounding</div> <div>AE P/N 16819</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>1.7950</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 9,404.01</td></tr><tr><td>Winding Losses:</td><td>7.9920</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 24,959.02</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 34,363.02</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9494-009529-005</div>		kW Lost		\$/kW		Losses	No Load Losses:	1.7950	X	\$ 5,239.00	=	\$ 9,404.01	Winding Losses:	7.9920	X	\$ 3,123.00	=	\$ 24,959.02	Total Losses				=	\$ 34,363.02	1	EA	\$ 46,845.00	\$ 46,845.00	\$ 81,208.02	\$ 81,208.02
	kW Lost		\$/kW		Losses																										
No Load Losses:	1.7950	X	\$ 5,239.00	=	\$ 9,404.01																										
Winding Losses:	7.9920	X	\$ 3,123.00	=	\$ 24,959.02																										
Total Losses				=	\$ 34,363.02																										
6	<div>Transformer, Network, 3-Phase, 2000kVA, 12.47kV, 480Y/277 Volts In Accordance with latest revision of Specification E-708-13Jul16. Shall be manufactured with a Primary Dead-Break Switch with Sequential Grounding</div> <div>AE P/N 16821</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>2.2160</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 11,609.62</td></tr><tr><td>Winding Losses:</td><td>9.9180</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 30,973.91</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 42,583.54</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9495-009529-006</div>		kW Lost		\$/kW		Losses	No Load Losses:	2.2160	X	\$ 5,239.00	=	\$ 11,609.62	Winding Losses:	9.9180	X	\$ 3,123.00	=	\$ 30,973.91	Total Losses				=	\$ 42,583.54	1	EA	\$ 59,493.00	\$ 59,493.00	\$ 102,076.54	\$ 102,076.54
	kW Lost		\$/kW		Losses																										
No Load Losses:	2.2160	X	\$ 5,239.00	=	\$ 11,609.62																										
Winding Losses:	9.9180	X	\$ 3,123.00	=	\$ 30,973.91																										
Total Losses				=	\$ 42,583.54																										

7	<div>Transformer, Network, 3-Phase, 500kVA, 34.5kV, 216Y/125 Volts In Accordance with latest revision of Specification E-709-26Jul16. shall be manufactured with a Primary Mag-Break Switch with Sequential Grounding</div> <div>AE P/N 16825</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>0.7830</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 4,102.14</td></tr><tr><td>Winding Losses:</td><td>3.3780</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 10,549.49</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 14,651.63</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9485-009529-007</div>		kW Lost		\$/kW		Losses	No Load Losses:	0.7830	X	\$ 5,239.00	=	\$ 4,102.14	Winding Losses:	3.3780	X	\$ 3,123.00	=	\$ 10,549.49	Total Losses				=	\$ 14,651.63	9	EA	\$ 27,913.00	\$ 251,217.00	\$ 42,564.63	\$ 383,081.68
	kW Lost		\$/kW		Losses																										
No Load Losses:	0.7830	X	\$ 5,239.00	=	\$ 4,102.14																										
Winding Losses:	3.3780	X	\$ 3,123.00	=	\$ 10,549.49																										
Total Losses				=	\$ 14,651.63																										
8	<div>Transformer, Network, 3-Phase, 750kVA, 34.5kV, 216Y/125 Volts In Accordance with latest revision of Specification E-709-26Jul16. Shall be manufactured with a Primary Mag-Break Switch with Sequential Grounding</div> <div>AE P/N 16828</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>0.9470</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 4,961.33</td></tr><tr><td>Winding Losses:</td><td>5.2320</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 16,339.54</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 21,300.87</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9489-009529-008</div>		kW Lost		\$/kW		Losses	No Load Losses:	0.9470	X	\$ 5,239.00	=	\$ 4,961.33	Winding Losses:	5.2320	X	\$ 3,123.00	=	\$ 16,339.54	Total Losses				=	\$ 21,300.87	4	EA	\$ 34,930.00	\$ 139,720.00	\$ 56,230.87	\$ 224,923.48
	kW Lost		\$/kW		Losses																										
No Load Losses:	0.9470	X	\$ 5,239.00	=	\$ 4,961.33																										
Winding Losses:	5.2320	X	\$ 3,123.00	=	\$ 16,339.54																										
Total Losses				=	\$ 21,300.87																										
9	<div>Transformer, Network, 3-Phase, 500kVA, 34.5kV, 480Y/277 Volts In Accordance with latest revision of Specification E-709-26Jul16. Shall be manufactured with a Primary Dead-Break Switch with Sequential Grounding</div> <div>AE P/N 16826</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>0.8230</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 4,311.70</td></tr><tr><td>Winding Losses:</td><td>3.2280</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 10,081.04</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 14,392.74</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9485-009529-009</div>		kW Lost		\$/kW		Losses	No Load Losses:	0.8230	X	\$ 5,239.00	=	\$ 4,311.70	Winding Losses:	3.2280	X	\$ 3,123.00	=	\$ 10,081.04	Total Losses				=	\$ 14,392.74	2	EA	\$ 28,158.00	\$ 56,316.00	\$ 42,550.74	\$ 85,101.48
	kW Lost		\$/kW		Losses																										
No Load Losses:	0.8230	X	\$ 5,239.00	=	\$ 4,311.70																										
Winding Losses:	3.2280	X	\$ 3,123.00	=	\$ 10,081.04																										
Total Losses				=	\$ 14,392.74																										
10	<div>Transformer, Network, 3-Phase, 1000kVA, 34.5kV, 480Y/277 Volts In Accordance with latest revision of Specification E-709-26Jul16. Shall be manufactured with a Primary Dead-Break Switch with Sequential Grounding</div> <div>AE P/N 16818</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>1.5190</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 7,958.04</td></tr><tr><td>Winding Losses:</td><td>5.2830</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 16,498.81</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 24,456.85</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9493-009529-010</div>		kW Lost		\$/kW		Losses	No Load Losses:	1.5190	X	\$ 5,239.00	=	\$ 7,958.04	Winding Losses:	5.2830	X	\$ 3,123.00	=	\$ 16,498.81	Total Losses				=	\$ 24,456.85	9	EA	\$ 33,940.00	\$ 305,460.00	\$ 58,396.85	\$ 525,571.65
	kW Lost		\$/kW		Losses																										
No Load Losses:	1.5190	X	\$ 5,239.00	=	\$ 7,958.04																										
Winding Losses:	5.2830	X	\$ 3,123.00	=	\$ 16,498.81																										
Total Losses				=	\$ 24,456.85																										

11	<div>Transformer, Network, 3-Phase, 1500kVA, 34.5kV, 480Y/277 Volts In Accordance with latest revision of Specification E-709-26Jul16. Shall be manufactured with a Primary Dead-Break Switch with Sequential Grounding</div> <div>AE P/N 16820</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>1.5740</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 8,246.19</td></tr><tr><td>Winding Losses:</td><td>8.6280</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 26,945.24</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 35,191.43</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9494-009529-011</div>		kW Lost		\$/kW		Losses	No Load Losses:	1.5740	X	\$ 5,239.00	=	\$ 8,246.19	Winding Losses:	8.6280	X	\$ 3,123.00	=	\$ 26,945.24	Total Losses				=	\$ 35,191.43	29	EA	\$ 46,885.00	\$ 1,359,665.00	\$ 82,076.43	\$ 2,380,216.47
	kW Lost		\$/kW		Losses																										
No Load Losses:	1.5740	X	\$ 5,239.00	=	\$ 8,246.19																										
Winding Losses:	8.6280	X	\$ 3,123.00	=	\$ 26,945.24																										
Total Losses				=	\$ 35,191.43																										
12	<div>Transformer, Network, 3-Phase, 2000kVA, 34.5kV, 480Y/277 Volts In Accordance with latest revision of Specification E-709-26Jul16. Shall be manufactured with a Primary Dead-Break Switch with Sequential Grounding</div> <div>AE P/N 16822</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>2.2990</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 12,044.46</td></tr><tr><td>Winding Losses:</td><td>9.9960</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 31,217.51</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 43,261.97</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9495-009529-012</div>		kW Lost		\$/kW		Losses	No Load Losses:	2.2990	X	\$ 5,239.00	=	\$ 12,044.46	Winding Losses:	9.9960	X	\$ 3,123.00	=	\$ 31,217.51	Total Losses				=	\$ 43,261.97	15	EA	\$ 55,545.00	\$ 833,175.00	\$ 98,806.97	\$ 1,482,104.54
	kW Lost		\$/kW		Losses																										
No Load Losses:	2.2990	X	\$ 5,239.00	=	\$ 12,044.46																										
Winding Losses:	9.9960	X	\$ 3,123.00	=	\$ 31,217.51																										
Total Losses				=	\$ 43,261.97																										
13	<div>Transformer, Network, 3-Phase, 2500kVA, 34.5kV, 480Y/277 Volts In Accordance with latest revision of Specification E-709-26Jul16. Shall be manufactured with a Primary Dead-Break Switch with Sequential Grounding</div> <div>AE P/N 22212</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>2.4430</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 12,798.88</td></tr><tr><td>Winding Losses:</td><td>13.1880</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 41,186.12</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 53,985.00</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9496-009529-013</div>		kW Lost		\$/kW		Losses	No Load Losses:	2.4430	X	\$ 5,239.00	=	\$ 12,798.88	Winding Losses:	13.1880	X	\$ 3,123.00	=	\$ 41,186.12	Total Losses				=	\$ 53,985.00	1	EA	\$ 65,874.00	\$ 65,874.00	\$ 119,859.00	\$ 119,859.00
	kW Lost		\$/kW		Losses																										
No Load Losses:	2.4430	X	\$ 5,239.00	=	\$ 12,798.88																										
Winding Losses:	13.1880	X	\$ 3,123.00	=	\$ 41,186.12																										
Total Losses				=	\$ 53,985.00																										
14	<div>Transformer, Network, 3-Phase, 2500kVA, 34.5kV, 4160Y/2400 Volts In Accordance with Specification E-709-26Jul16. Transformer shall have 600 A Bushings Rated 35kV on the HV Side and 15kV on the LV Side. Shall be manufactured with Internal Current Transformers.</div> <div>AE P/N 22213</div> <table><thead><tr><th></th><th>kW Lost</th><th></th><th>\$/kW</th><th></th><th>Losses</th></tr></thead><tbody><tr><td>No Load Losses:</td><td>3.6640</td><td>X</td><td>\$ 5,239.00</td><td>=</td><td>\$ 19,195.70</td></tr><tr><td>Winding Losses:</td><td>9.2550</td><td>X</td><td>\$ 3,123.00</td><td>=</td><td>\$ 28,903.37</td></tr><tr><td colspan="4">Total Losses</td><td>=</td><td>\$ 48,099.06</td></tr></tbody></table> <div>Manufacturer: Howard Industries</div> <div>Part Number: 9496-009529-014</div>		kW Lost		\$/kW		Losses	No Load Losses:	3.6640	X	\$ 5,239.00	=	\$ 19,195.70	Winding Losses:	9.2550	X	\$ 3,123.00	=	\$ 28,903.37	Total Losses				=	\$ 48,099.06	1	EA	\$ 53,545.00	\$ 53,545.00	\$ 101,644.06	\$ 101,644.06
	kW Lost		\$/kW		Losses																										
No Load Losses:	3.6640	X	\$ 5,239.00	=	\$ 19,195.70																										
Winding Losses:	9.2550	X	\$ 3,123.00	=	\$ 28,903.37																										
Total Losses				=	\$ 48,099.06																										

The prices listed on this Bid Sheet shall be the total prices, inclusive of all costs, including but not limited to:

Warranty per Supplemental Purchase Provisions (Section 0400, Part 10), Drawings & Test Reports per Supplemental Purchase Provisions (Section 0400, Part 12), FOB destination delivery, and acceptance in full of the terms & conditions listed in and referenced by the solicitation documents.

TOTAL BID

\$ 3,712,682.00

TOTAL
EVALUATED BID

\$ 6,367,077.39

NON-SPECIFIED ITEMS (SECTION 0400 PART 3)

THE CITY MAY WISH TO PURCHASE ADDITIONAL ITEMS FROM THE SUCCESSFUL BIDDER IN THE FUTURE THAT ARE NOT LISTED ON THIS BID SHEET. INDICATE THE PERCENTAGE (%) MARKUP TO CONTRACTORS COST FOR THESE ITEMS.

5 %

The following documents are required to be submitted with the bid. Failure to submit these documents may result in rejection of the bid.

A. All documents included in the solicitation that require signatures:

- i. Offer Sheet
- ii. Bid Sheet
- iii. Local Business Presence Identification Form (Section 0605)
- iv. Reference Sheet (Section 0700)
- v. Nonresident Bidder Provisions (Section 0835)
- vi. No Goals (Section 0900)

B. Materials Specifications / Descriptive Literature per Supplemental Purchasing Provisions (Section 0400, Part 11)

C. Evidence of **ALL** Contractors Qualifications stated in the Supplemental Purchasing Provisions (Section 0400, Part 16), including:

- i. As evidence of compliance with Supplemental Purchasing Provisions (Section 0400, Part 16.A), the Contractor shall submit a tabulation of at least the minimum number of transformers produced at the manufacturing facility Offered to clearly indicate compliance with the requirements of Part 16.A. The tabulation shall include the purchaser's contact information (company name, location, contact person, contact person's telephone number, etc.), kVA rating, voltage rating (HV and LV), and year of manufacture.
- ii. Location of maintenance staff and service facility as per Section 0400, Part 16.B. Ellisville, MS

BIDDER'S FIRM DELIVERY IS 126 CALENDAR DAYS AFTER RECEIPT OF ORDER

DELIVERY TERMS: DELIVERY IS TO BE FOB DESTINATION, PREPAID AND ALLOWED

DELIVERY METHOD: Common Carrier

COMPANY NAME: Techline, Inc.

PRINTED NAME: Jace Brazier

EMAIL ADDRESS: jbrazier@techline-inc.com

Scope of Work Template

SOLICITATION NO.

Description: *Operations Zero-Based Budget Support*

1.0 Introduction

About the City of Austin

The City of Austin, Texas, population 840,000, is the 13th largest city in the country. This vibrant and dynamic city tops numerous “Best” lists for business, entertainment, cost of living and quality of life. Austin was selected as the “Best City for the Next Decade” (Kiplinger), the “Top Creative Center” in the US (Entrepreneur.com), and is in the Top Seven List of Intelligent Communities for 2012 as ranked by the Intelligent Community Forum. Austin continues to lead the country with its vision of being the “Most Livable City in the Country”, emerging as a player on the international scene with such events as SXSW, Formula 1 and being home to companies such as Apple, Samsung, Dell, The Seton Healthcare Family and St. David's HealthCare systems. From the home of state government and the City of Texas, to the “Live Music Capital of the World” and its growth as a film center, Austin has gained worldwide attention as a hub for education, business, health, and sustainability. Since 1900, Austin's population has doubled every 20 years, with continued projected record-breaking growth into the next decade and beyond.

About the City of Austin Government

The City of Austin is a progressive, dynamic, full-service municipal organization operating under the Council-Manager form of government. The Austin City Council currently has ten council members (one serves as Mayor Pro Tem) and a mayor. The entire City Council is elected from 10 single-member districts, with the mayor at-large.

The City Council appoints the City Manager who is the chief administrative and executive officer of the City. The City Manager has responsibilities for guiding and directing day-to-day operations as well as providing strategic research, recommendations, and management leadership to the City Council on budget, programs, policies and services. The City Manager implements the organization's administrative responsibilities with a strong team of professional department heads, Assistant City Managers, and the Deputy City Manager. The City Council and City Manager of Austin are committed to their mission of delivering the highest quality services in the most cost effective manner. The organization's vision is to make Austin the most livable city in the country, and the City Manager's resolve is to make it the best-managed city in the country.

2.0 Purpose

This contract is obtain professional services of professionals with training, resources and tools to develop a Zero-Based Budget (ZBB) for an electric utility. The work involves highly specialized support in developing a ZBB for the Austin Energy (AE) Business Units reporting to the Chief Operating Officer. The project requires industry-specific knowledge for two aspects of the project: (1) specialized expertise in assisting entities in the electric industry with creating a budget based on zero-based budgeting techniques; and (2) specialized expertise in the operations of a fully integrated electric utility.

The first aspect (ZBB) is a concept foreign to AE's operations group and will require professional services in the form of consulting with work group managers and subject matter experts (SMEs) to

identify tasks, activities and associated expenses (human resource and other). This activity is especially unique to the energy industry because the Department of Energy/Federal Energy Regulatory Commission (FERC) requires members of the electric industry to use a “Uniform System of Accounts” for all budgeted expenditures. Specifically, according to the FERC:

Electric public utilities...are required to maintain their books and records in accordance with the Commission's Uniform System of Accounts (USofA). The USofA provides basic account descriptions, instructions, and accounting definitions that are useful in understanding the information reported in the Annual Report Form....

As such, AE must retain a professional service vendor with expertise in ZBB *as well as* expertise in the FERC USofA.

The second aspect (industry operations) requires professional services from an organization with expertise and knowledge of electric utility operations.

The services will be professional in nature and the firm for this work has successfully delivered ZBB to joint project co-owners of AE.

3.0 **Background**

Starting in 2012, City Council challenged AE to operate under affordability goals requiring AE to not increase rates more than two percent per year and keep electric bills in the bottom 50 percent of all electric utilities in Texas. Facing this challenge, AE must explore ways to operate in the most effective and efficient manner.

Historically, AE business units have drafted budgets based on the existing budget and adjusting for expected differences in the upcoming budget year. The business units examine operating expenses in the aggregate. Doing so is not suited to drive realizable, lasting, significant benefits because findings are often too high level to link clearly to actions to identify savings opportunities.

ZBB, on the other hand, is a structured process to build a cost management culture by requiring work groups to assume a budget of zero and justify every activity and resource performed by the work group. ZBB is a repeatable process to rigorously review every dollar spent. ZBB focuses on developing visibility into cost drivers and using that visibility to set aggressive, but credible, budget targets. It also allows work groups to manage financial performance on monthly basis and builds a cost management culture among all employees. One of the most significant benefits of ZBB is allocating funding based on program efficiency/necessity rather than budget history. Industry experience indicates it can reduce General & Administrative costs by 10-25%, often within as little as six months. Finally, ZBB offers possibilities for reducing costs while bringing additional value through operational efficiency.

The contract must be in place in time to develop a ZBB for the COA fiscal 2017-2018 years.

4.0 **Tasks/Requirements**

4.1 ***Contractor's Responsibilities***

The Contractor will provide AE consulting services related to ZBB, including but not limited to:

- Task Analysis
 - Identifying Staff Types

- Full Time Employee
 - Full Time Contractor
 - Part Time Contractor
 - Temporary
 - Etc.
- Identifying the number of budgeted FTEs for each Cost Center by:
 - Staff Type
 - Work activities performed
 - Strategic Plan initiatives
- Categorizing work activities based on a ranking system
- Identifying staffing opportunity areas through gap analysis by cost center and Staff Type
- Documenting resource justification or risk mitigation plans for opportunity areas
- Identifying capital project list and summarizing base case spend
- Selecting projects for business cases (major projects) and project summary sheets (other significant projects)
- Determining financial viability targets (e.g., rates, affordability target)
- Comparing capital level implied by key financial targets to the current capital project needs (5 year) and identifying any gaps
- Determining required smoothing of capital project spending based on achieving targets
- Determining the members of the Capital Project Authorizing Committee (CPAC)
- Determining the members of the Project Review Committee (a cross-functional team)
- Defining charters (e.g., roles, expectations, interactions, meeting frequency, authorization policy) of CPAC and PRC
- Defining a capital prioritization process (e.g., establishing the capital cut line)
- Collecting project background material
- Conducting business case analysis for selected projects and presenting results
- Identifying base case and alternatives
- Developing financial and risk analysis
- Reviewing business cases with PRC
- Presenting business cases to CPAC and discussing cost-risk tradeoffs
- Tracking savings vs. base case and spending target
- Documenting the business case presentation template and developing a project summary sheet template for other significant projects
- Conducting meetings with work group managers and SMEs to communicate templates and overall process
- Conducting training on financial modeling and risk tools for select staff
- Reviewing FERC account data transfer for accuracy, identifying reporting improvements
- Develop, deploy and train AE staff to scale the ZBB process to other areas of the organization

4.2 ***City's Responsibilities***

The City (via AE) will provide:

- Personnel to support the ZBB process
- Financial and other data as requested by Contractor

- Physical spaces for meetings, trainings, presentations, etc.
- Access to AE systems and applications as needed to perform the ZBB project

5.0 Deliverables/Milestones

Deliverables/Milestones	Description	Timeline (due/completi on date, reference date, or frequency)	Performance Measure/ Acceptance Criteria	Contract Reference/ Section
Meet with and educate/train relevant personnel on Zero-Based Budgeting	<p>(1) Conduct meetings with work group managers and SMEs to communicate templates and overall process</p> <p>(2) Conduct training on financial modeling and risk tools for staff identified by AE executives</p>	2/9/17	<p>Meetings take place with all relevant workgroup personnel, including: (a) description of the overall process; (b) templates for the project; and (c) training on financial modeling and risk tools to identified staff</p> <p>AE written approval</p>	
Work with AE executives to determine financial viability targets (e.g., rates, affordability target)	<p>(1) Based on all work performed, determine whether AE can meet it's financial targets (i.e. dollars saved, rates, meeting affordability goal)</p> <p>(2) Develop financial and risk analysis methodologies</p>	2/27/17	<p>(1) Final determination of whether AE can meet it's financial targets (i.e. dollars saved, rates, meeting affordability goal)</p> <p>(2) Financial and risk analysis completed</p> <p>AE written approval</p>	
Identify base case and alternatives	<p>(1) As a result of meetings with AE executives and establishing financial targets, develop a base case for a Zero-Based Budget and any alternatives</p> <p>(2) Present base case and alternatives to executives for approval</p>	5/26/17	<p>Base case and alternatives</p> <p>AE written approval</p>	
Task Analysis	<p>Identifying Staff Types:</p> <p>+ Full Time Employee</p> <p>+ Full Time Contractor</p> <p>+ Part Time Contractor</p> <p>+ Temporary</p> <p>+ Etc.</p>	5/5/17	<p>All staff types identified as well as tasks necessary</p> <p>AE written approval</p>	

Categorize work activities based on a ranking system	Using specialized ranking system, categorize all AE work activities by importance to AE's mission and strategic plan initiatives	5/5/17	All AE work activities ranked based on importance to AE's mission and strategic plan initiatives AE written approval	
Document resource justifications or risk mitigation plans for opportunity areas	Using specialized ranking system, document the justification(s) of each resource or develop risk mitigation plans for identified gaps	5/5/17	All justification(s) for each resource identified or a risk mitigation plan developed for each identified gap AE written approval	
Identify budgeted FTEs for each Cost Center	(1) Identify the number of budgeted FTEs for each Cost Center by: + Staff Type + Work activities performed + Strategic Plan initiatives (2) Perform gap analysis by cost center and staff type to Identify staffing opportunity areas	5/5/17	All budgeted FTEs and staffing opportunities for each cost center identified AE written approval	
Identify capital project list and summarizing base case spend	(1) Through individual meetings with AE SMEs, identify all capital projects (2) Rank capital projects based on importance to AE's mission and strategic plan (3) Summarize base case spend (4) Select projects for business cases (major projects) and project summary sheets (for other significant projects) (5) Collect project background material	5/5/17	(1) All capital projects identified and ranked (2) Summary of base case spend for capital projects (3) Selection of projects for business cases (major projects) and project summary sheets (for other significant projects) (4) Project background materials collected AE written approval	

Establish Capital Project Authorizing Committee (CPAC) and Project Review Committee and determine membership	(1) Define charters (e.g., roles, expectations, interactions, meeting frequency, authorization policy) of CPAC and PRC (2) Assemble membership of CPAC and PRC (3) Define a capital prioritization process (e.g., establish the capital cut line) (4) Conduct business case analysis for selected projects and present results (5) Review business cases with PRC (6) Present business cases to CPAC and discuss cost/risk tradeoffs	5/5/17	(1) CPAC and PRC chartered, established and staffed (2) Capital projects prioritized and “cut line” established (3) Business case analysis for selected projects and results presented AE written approval	
Compare capital level and identify any gaps	(1) Compare capital level implied by key financial targets to the current capital project needs (5 year) and identify any gaps (2) Determine required smoothing of capital project spending based on achieving targets	5/5/17	(1) Comparison of capital levels implied by financial targets (2) Identification of gaps (3) Determination of smoothing of capital project spending needed to achieve financial targets AE written approval	
Track savings vs. base case and spending target	Track savings vs. base case and spending target	5/26/17	Periodic reports regarding savings vs. base case and spending target AE written approval	

6.0 **Appendices/Exhibits**

None.



City of Austin FSD Purchasing Office

Certificate of Exemption

DATE: 12/08/2016

DEPT: Austin Energy

TO: Purchasing Officer or Designee

FROM: Andrew Gallo

BUYER:

PHONE: (512) 322-6424

Chapter 252 of the Local Government Code requires that municipalities comply with the procedures established for competitive sealed bids or proposals before entering into a contract requiring an expenditure of \$50,000 or more, unless the expenditure falls within an exemption listed in Section 252.022.

Senate Bill 7 amended Chapter 252 of the Local Government Code to exempt from the requirements of such Chapter expenditures made by a municipally owned electric utility for any purchases made by the municipally owned electric utility in accordance with procurement procedures adopted by a resolution of its governing body that sets out the public purpose to be achieved by those procedures. The Austin City Council has adopted Resolution No. 040610-02 to establish circumstances which could give rise to a finding of critical business need for Austin Energy.

This Certification of Exemption is executed and filed with the Purchasing Office as follows:

1. The undersigned is authorized to submit this certification.
2. The undersigned certifies that the following exemption is applicable to this purchase. (Please check which exemption you are certifying)
 - ☐ a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality
 - ☐ a procurement necessary to preserve or protect the public health or safety of municipality's residents
 - ☐ a procurement necessary because of unforeseen damage to public machinery, equipment, or other property
 - ☒ a procurement for personal, professional, or planning services
 - ☐ a procurement for work that is performed and paid for by the day as the work progresses
 - ☐ a purchase of land or right-of-way
 - ☐ a procurement of items available from only one source, including: items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies; films, manuscripts, or books; gas, water, and other utility services; captive replacement parts or components for equipment; books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits
 - ☐ a purchase of rare books, papers, and other library materials for a public library
 - ☐ paving, drainage, street widening and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements
 - ☐ a public improvement project, already in progress, authorized by voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes as authorized by the voters

- ☐ a payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212
- ☐ personal property sold: at an auction by a state licensed auctioneer; at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or under an interlocal contract for
 - ☐ cooperative purchasing administered by a regional planning commission established under Chapter 391
 - ☐ services performed by blind or severely disabled persons
 - ☐ goods purchased by a municipality for subsequent retail sale by the municipality
 - ☐ electricity
 - ☐ advertising, other than legal notices
 - ☐ Critical Business Need (Austin Energy Only)

3. The following facts as detailed below support an exemption according to Section 252.022 of the Local Government Code for this purchase. Please verify the steps taken to confirm these facts. If you are citing the following exemptions, please provide the additional information requested below. A more detailed explanation of these exemptions is attached.

- **Preserve and Protect the Public Health and Safety** – Describe how this purchase will preserve and protect the public safety of residents.
- **Sole Source** – Describe what patents, copyrights, secret processes, or natural monopolies exist. Attach a letter from vendor supporting the sole source. The letter must be on company letterhead and be signed by an authorized person in company management.
- **Personal Services** – Describe those services to be performed personally by the individual contracted to perform them.
- **Professional Services** – Describe what mainly mental or intellectual rather than physical or manual and/or disciplines requiring special knowledge or attainment and a high order of learning, skill, and intelligence are required to perform this service.
- **Planning Services** – Describe the services primarily intended to guide governmental policy to ensure the orderly and coordinated development of the state or of municipal, county, metropolitan, or regional land areas.
- **Critical Business Need** – Describe the procurement necessary to protect the competitive interests or position of Austin Energy.

Professional Services -- please see the attached sheet for the facts supporting an exemption according to Section 252.022 of the Local Government Code for this purchase.

4. Please attach any documentation that supports this exemption.
5. Please provide any evaluation conducted to support the recommendation. Include the efforts taken to ensure the selected vendor is responsible and will provide the best value to the City (Ex: evaluation of other firms, knowledge of market, etc).

The work to be conducted for Austin Energy is specialized professional services to assess and develop a zero based budget for operations. The firm selected to perform this work has extensive experience in the utility sector and has conducted similar work with over half of the commercial utilities in the US. The firm has a proprietary assessment methodology, processes, templates and interview approaches that focus on identifying all aspects of controllable costs. While there may be other qualified offerers, conducting a solicitation process will push the development of a zero based budget into the FY18 time period which will delay implementation until FY19 and AE is seeking to expedite the process. Austin Energy is also recommending this firm based on direct experience with the zero based budgeting they performed at the South Texas Project and the substantial savings their methodology returned. Because of the firm's extensive experience and demonstrated performance in ZBB for utilities, AE believes they will provide the best value to the City (and AE customers).

6. Because the above facts and documentation support the requested exemption, the City of Austin intends to contract with MCR Performance Solutions, LLC which will cost approximately \$ 537,761.00 (Provide estimate and/or breakdown of cost).

Recommended
Certification

Elana Ball 01/12/17
Originator Date

Approved
Certification

Department Director or designee Date

Jackie A. Sargent 1-12-17
Assistant City Manager / General Manager Date
or designee (if applicable)

Purchasing Review
(if applicable)

Cheryl A. Kaufman 1-13-17 hr
Buyer Date Manager Initials

Exemption Authorized
(if applicable)

[Signature] 1/12/17
Purchasing Officer or designee Date

02/26/2013

Professional Services Justification

This contract is obtain professional services of professionals with training, resources and tools to develop a Zero-Based Budget (ABB) for an electric utility. The work involves highly specialized support in developing a ZBB for the Austin Energy (AE) Business Units reporting to the Chief Operating Officer. The project requires industry-specific knowledge for two aspects of the project: (1) specialized expertise in assisting entities in the electric industry with creating a budget based on zero-based budgeting techniques; and (2) specialized expertise in the operations of a fully integrated electric utility.

The first aspect (ZBB) is a new method for AE's operations group and will require professional services in the form of consulting with work group managers and subject matter experts (SMEs) to identify tasks, activities and associated expenses (human resource and other). This activity is especially unique to the energy industry because the Department of Energy/Federal Energy Regulatory Commission (FERC) requires members of the electric industry to use a "Uniform System of Accounts" for all budgeted expenditures. Specifically, according to the FERC:

Electric public utilities...are required to maintain their books and records in accordance with the Commission's Uniform System of Accounts (USofA). The USofA provides basic account descriptions, instructions, and accounting definitions that are useful in understanding the information reported in the Annual Report Form....

As such, AE must retain a professional service vendor with expertise in ZBB *as well as* expertise in the FERC USofA.

The second aspect (industry operations) requires professional services from an organization with expertise and knowledge of electric utility operations.

The services will be professional in nature and the firm for this work has successfully delivered ZBB to joint project co-owners of AE.



Council Question and Answer

Related To

Item #42

Meeting Date

February 2, 2017

Additional Answer Information

QUESTION: 1) Can staff provide details of the expedited permitting program guidelines for large commercial projects? 2) If this were to be in place last year, how many projects, under those guidelines, would have qualified for expedited permitting? 3) Assuming all of those qualifying projects would have used the expedited program, how much in revenue would be raised by the City through the expedited fee? 4) Given those same assumptions, how much in revenue would be paid to the third party monitor had all qualifying projects participated? 5) How many FTEs would the City need in order to do the monitoring itself on those projects? 6) What is the enforcement mechanism in place for the third-party monitor? 7) How will disputes between the property owner and third-party monitor be handled, and does the City assume any responsibility given the mandate for hiring the third-party monitor? 8) How many organizations issue Better Builder certification? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER:

1) Can staff provide details of the expedited permitting program guidelines for large commercial projects?

On September 1, 2016, City Council adopted Resolution No. 20160901-029 directing worker protection standards be required of commercial projects with no residential component and that guidelines be developed regarding the scope, scale, and type of projects to which the worker protection standards apply. Since that time, the Development Services Department has worked to develop guidelines and released a draft for stakeholder input that included the following:

- Worker protection standards would be required of commercial projects that exceeded either 75,000 square feet in new construction/renovation or \$7.5 million in valuation.
- Worker protection standards would not be required of residential-only projects
- Worker protection standards would not be required of commercial projects that include a residential component, including the following uses:
 - o Duplex (103 Two-Family Buildings)
 - o • MF3-4 (104 Three- and Four-Family Buildings)
 - o • MF5+ (Five or more Family Buildings)
 - o • Mixed Use (106 Mixed Use)
 - o • Single Family (101 Single-Family Houses)

Worker protection standards would not be required of non-profit organizations with a 501c(3) designation and a local presence.

2) If this were to be in place last year, how many projects, under those guidelines, would have qualified for expedited permitting?

Based on FY 2015-16 data, there were 1,578 commercial projects with no residential component that would have qualified.

3) Assuming all of those qualifying projects would have used the expedited program, how much in revenue would be raised by the City through the expedited fee?

The Development Services Department (DSD) developed a fee schedule for the Expedited Building Plan Review Program that was approved in the FY 2016-17 Adopted Budget. DSD committed to having this fee schedule reviewed by fee consultants and to bring any modifications to City Council for subsequent consideration. The fee consultant review is completed, and DSD will bring forward fee modifications along with the draft ordinance requested by the proposed resolution.

Staff respectfully requests additional time to engage the fee consultant to develop the revenue estimate for 1,578 projects based on the fee modifications that will be proposed.

4) Given those same assumptions, how much in revenue would be paid to the third party monitor had all qualifying projects participated?

The Expedited Building Plan Review Program fee schedule developed by the Development Services Department (DSD) for FY 2016-17 only incorporated City costs such as salaries, overhead, and commodities. On August 9, 2016, DSD provided a report to City Council that stated applicants would be required to pay the City a separate fee that covers the City's cost of contracting with the Worker's Defense Project to provide independent monitoring of compliance with Better Builder Program requirements. The fee would be in addition to the Expedited Building Plan Review Program fee schedule.

Based on the projects the Worker's Defense Project has monitored and with their experience of the building industry, the average cost of monitoring is \$1.25 per square foot with a cap of \$60,000 per year. Costs may include, but are not limited, to on-site visits by monitors one-time per pay period, follow-up appointments, reports, travel and gas expenses, and personal protective equipment.

5) How many FTEs would the City need in order to do the monitoring itself on those projects?

Staff respectfully requests additional time to compute the FTE requirement.

6 and 7) What is the enforcement mechanism in place for the third-party monitor? How will disputes between the property owner and third-party monitor be handled, and does the City assume any responsibility given the mandate for hiring the third-party monitor?

As a reminder, the Development Services Department (DSD) will not monitor compliance of "Better Builder" certification. Rather, the third-party organization would be charged with monitoring and any form of enforcement/penalties for not meeting certification requirements. Currently, the Workers Defense Project is the only known organization that provides "Better Builder" certification. For this reason, DSD reached out to the Workers Defense Project which provided the following response:

Over 14,000 men and women have gained access to good, safe jobs by working on Better Builder sites in Central Texas since 2012, and Better Builder certified monitors and compliance assistance staff have worked in close collaboration with owners such as Apple, Foundation Communities, Trammel Crow, and others to ensure wage and safety standards are upheld throughout a project's contracting chain using a collaborative compliance assistance mechanism that includes certified payroll and document review, and on-site monitoring.

Generally, Better Builder monitors work with the owner and if desired by the owner, appropriate contracting staff, to arrange a time for monitors to interview construction workers once per pay period during lunch and rest breaks. Questions are limited to determining whether Better Builder certification standards are being met on the site. When standards are not met, Better Builder compliance assistance staff quickly document as much information as possible

and develop a corrective action plan, and work with the owner to determine the best way to resolve wage and safety issues as quickly as possible. After four years, Better Builder has a 100% corrective action resolution rate with the owners it has collaborated with.

Should the owner continue to be unwilling to fully complete the corrective action plan and leave wage and safety issues unresolved, Better Builder certification eligibility is ultimately suspended. It is important to note that, in four years of on-site monitoring, this has never happened. In addition to on-site monitoring, Workers Defense Project has previously advocated that, with regard specifically to the City of Austin's expedited permitting program, in the unlikely event that the owner does not address documented wage and safety issues found to be below Better Builder certification standards after receiving the entitlement of a permit from the city's expedited permitting program, permits issued to the owner under the expedited program should revert back to their original state. The owner would then be free to apply for a permit using standard City of Austin procedures.

With regard to the City assuming responsibility for the mandate for hiring a third party monitor, DSD requested the Law Department provide a response, which is as follows:

No, the City assumes no responsibility for enforcement. The City's sole responsibility is to make sure that an applicant provides a third party certification at the time of application for expedited permitting.

8) How many organizations issue Better Builder certification?

To our knowledge, the Workers Defense Project is the only organization that currently provides a Better Builder Program certification.



Council Question and Answer

Related To

Item #57

Meeting Date

February 2, 2017

Additional Answer Information

QUESTION: QUESTION: 1) Please calculate the total pro rata share for transportation improvements for the Austin Oaks PUD. 2) If the total pro rata share differs from the amount in the official Traffic Impact Analysis memorandum, please identify the reasons for the difference. 3) Please identify any transportation improvements that were listed as necessary in the TIA memo that will not be funded by the applicant. 4) Please identify all of the transportation improvements in the TIA memo that will be funded solely by the City of Austin during the two construction phases of the development. 5) Please identify if a deceleration lane and an acceleration lane at Greystone Drive and SB MoPac frontage road are possible given the existing ROW available. 6) Please identify if any heritage trees would impair the installation of such lanes north and south of Greystone Drive and SB MoPac frontage road. COUNCIL MEMBER POOL'S OFFICE

ANSWER:

1) *Please calculate the total pro rata share for transportation improvements for the Austin Oaks PUD.*

The total pro rata share for the transportation improvements is \$628,000.

2) *If the total pro rata share differs from the amount in the official Traffic Impact Analysis memorandum, please identify the reasons for the difference.*

The pro rata share for the transportation improvements is the same as in the official Traffic Impact Analysis memorandum.

Please note that the applicant agreed to contribute \$745,000 for traffic mitigations, although the pro-rata share was calculated to be \$628,000. The applicant agreed to contribute above pro-rata to fund the critical improvements as follows:

- Spicewood Springs Road and Hart Lane – Install a fully actuated traffic signal. (Improvement 1 - \$420,000)
- Construct free eastbound right-turn movement from Spicewood Springs Road to Mo-Pac (Loop) southbound frontage road. (Improvement 7 - \$35,000)
- Construct a southbound right-turn deceleration lane on Mo-Pac (Loop 1) southbound frontage road (upstream of Executive Center Drive). (Improvement 9 - \$160,000)
- Construct a southbound acceleration lane on Mo-Pac (Loop 1) southbound frontage road (downstream of Executive Center Drive). (Improvement 10 - \$130,000)

At the Zoning and Platting Commission, the applicant agreed to fund the following additional improvements contributing to the amount of \$60,000 (\$50,000 plus \$10,000):

- Spicewood Springs Road and Wood Hollow Drive – Extend westbound left-turn bay (Improvement 3 - \$50,000)
- Spicewood Springs Road and Wood Hollow Drive – Provide a right-turn overlap operation (Improvement 4 - \$10,000)

3) Please identify any transportation improvements that were listed as necessary in the TIA memo that will not be funded by the applicant.

Per the TIA memorandum a series of improvements were identified by the analysis. The Applicant has chosen to fund the following critical improvements:

- Spicewood Springs Road and Hart Lane – Install a fully actuated traffic signal. (Improvement 1 - \$420,000)
- Construct free eastbound right-turn movement from Spicewood Springs Road to Mo-Pac (Loop) southbound frontage road. (Improvement 7 - \$35,000)
- Construct a southbound right-turn deceleration lane on Mo-Pac (Loop 1) southbound frontage road (upstream of Executive Center Drive). (Improvement 9 - \$160,000)
- Construct a southbound acceleration lane on Mo-Pac (Loop 1) southbound frontage road (downstream of Executive Center Drive). (Improvement 10 - \$130,000)
- Spicewood Springs Road and Wood Hollow Drive – Extend westbound left-turn bay (Improvement 3 - \$50,000)
- Spicewood Springs Road and Wood Hollow Drive – Provide a right-turn overlap operation (Improvement 4 - \$10,000)

All the improvements identified in the TIA were determined to be necessary to mitigate the traffic impact on the network. However, based on the pro-rata share, the critical improvements were agreed upon to be funded by the applicant. Please note that the applicant agreed to contribute \$745,000 for traffic mitigations, although the pro-rata share was calculated to be \$628,000. The applicant's contribution towards the mitigation is exceeding the pro-rata share.

The remaining improvements identified in TIA memo were not proposed to be funded by the applicant. Although, the following improvements from the TIA were not determined to be required, these improvements will have a positive impact on the transportation network.

These improvements are:

Spicewood Springs Road & Hart Lane (2018)	Widen Hart Lane.
Executive Center Drive & Wood Hollow Drive (2018)	Restripe Wood Hollow Drive.
Spicewood Springs Road & Loop 1 SBFR (2018)	Create channelized turn from Mo-Pac to Spicewood Springs
Executive Center Drive & Wood Hollow Drive (2018)	Install multi-way stop signs
Greystone Drive & Loop 1 SBFR (2018)	Construct right turn deceleration.
Far West Blvd & Hart Lane (2018)	Widen northbound approach and restripe southbound approach on Hart Lane
Far West Blvd & Wood Hollow Drive (2018)	Provide a right-turn overall operation
Far West Blvd & Loop 1 SBFR (2018)	Provide channelized turn from Loop 1 SBFR to Far West Boulevard
Far West Boulevard & Wood Hollow Drive (2020)	Adjust signal.
Executive Center Drive & Wood Hollow Drive (2022)	Widen Executive Center Drive to a four-lane cross-section
Far West Boulevard & Wood Hollow Drive (2022)	Restripe the eastbound approach

Executive Center Drive & Hart Lane (2024)	Restripe westbound approach of Executive Center Drive and Hart Lane
Executive Center Drive & Hart Lane (2024)	Restripe Hart Lane
Executive Center Drive & Wood Hollow Drive (2024)	Conduct traffic signal warrant analysis.
Executive Center Drive & Wood Hollow Drive (2024)	Install a fully actuated traffic signal
Greystone Drive & Hart Lane (2024)	Restripe southbound approach.
Greystone Drive & Wood Hollow Drive (2024)	Restripe northbound approach.
Far West Boulevard & Wood Hollow Drive (2024)	Adjust signal timing.

4) Please identify all of the transportation improvements in the TIA memo that will be funded solely by the City of Austin during the two construction phases of the development.

At this time, no improvements were identified which will be solely funded by City of Austin during the two construction phases of the development. However, the signal timing adjustment(s) and re-striping of lanes and approaches, (as identified in the TIA) may be completed by the City of Austin as part of regular operational improvements.

5) Please identify if a deceleration lane and an acceleration lane at Greystone Drive and SB MoPac frontage road are possible given the existing ROW available.

Based on the applicant's traffic consultant, Greystone Drive has four driveways to the south. Acceleration lanes typically do not go through driveways due to safety concerns. In addition, the weaving distance between the on-ramp and end of the acceleration lane would be undesirable.

6) Please identify if any heritage trees would impair the installation of such lanes north and south of Greystone Drive and SB MoPac frontage road.

The Greystone and Mopac intersection is outside the project limits and was not included in the tree survey provided by the applicant. Review of aerial imagery indicates that there appear to be significant trees in this area that might be impacted by the construction of the proposed improvements. It is unclear if the existing trees at this intersection are located within the TxDOT right-of-way or on private property and subject to the City's rules and regulations