





<div style="text-align: center;"> A U S T I N C I T Y C O U N C I L  <b>AGENDA</b> </div> <div style="display: flex; justify-content: space-around;">     </div>				
<b>Recommendation for Council Action</b>				
Austin City Council	Item ID	68134	Agenda Number	
<b>Meeting Date:</b>	3/2/2017		<b>Department:</b>	Austin Energy
Subject				
<p>Approve issuance of a rebate to Seton Family of Hospitals for installing energy efficiency measures at the Dell Seton Medical Center at The University of Texas, located at 1500 Red River Street, in an amount not to exceed \$263,741. (District 1)</p>				
Amount and Source of Funding				
<p>Funding is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy.</p>				
Fiscal Note				
<p>A fiscal note is not required.</p>				
<b>Purchasing Language:</b>				
<b>Prior Council Action:</b>				
<b>For More Information:</b>	<p>Jeff Vice, Director, Local Government Issues (512) 322-6087; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.</p>			
<b>Council Committee, Boards and Commission Action:</b>	<p>February 21, 2017 - Recommended by the Resource Management Commission on a vote of 6-0, with Vice Chair Reed and Commissioners Dwyer, Gill and Saum absent and with one vacancy. To be reviewed by the Electric Utility Commission on February 27, 2017.</p>			
<b>MBE / WBE:</b>				
<b>Related Items:</b>				
Additional Backup Information				
<p>Austin Energy requests authorization to issue a rebate to the Seton Family of Hospitals, in an amount not to exceed \$263,741, for energy efficiency measures to be completed at the Dell Seton Medical Center at The University of Texas, located at 1500 Red River Street, in Council District 1.</p> <p>The Dell Seton Medical Center at UT is one of four teaching hospitals for UT's new Dell Medical School. The Dell Seton Medical Center is a new facility of approximately 517,000 square feet with 211 beds in operation and space for an additional 135 beds in the future.</p> <p>The energy efficiency measures implemented at this property are high efficiency air conditioners, regenerative elevators, heat pump chillers, energy efficient kitchen equipment, high efficiency lighting, lighting controls, and variable frequency drives on pumps and fans. The estimated total cost of the project is \$9,705,915 and the rebate will cover 2.7% of the total cost. These improvements are in accordance with Austin Energy's Commercial Rebate Program guidelines. This program is one element of the comprehensive Austin Energy Resource, Generation and</p>				

Climate Protection Plan to realize 700 MW of energy efficiency and 200 MW of demand response by 2025. The original plan, approved by City Council in April 2010 and updated in December 2014, is designed in part to reduce local air pollution through energy conservation, reduce peak demand, reduce the need to purchase additional generation and assist customers in reducing electric consumption.

The avoided kilowatt hours (kWh) estimated at 6,673,649 kWh per year represents a major benefit to the local environment. This project is estimated to offset the production of the following air emissions: 4,007.3 metric tons of Carbon Dioxide (CO<sub>2</sub>), 2.793 metric tons of Nitrogen Oxides (NO<sub>x</sub>), and 2.526 metric tons of Sulfur Dioxide (SO<sub>2</sub>). The project savings is equivalent to an estimated 8,997,298 vehicle miles traveled, the removal of 768 cars from our roadways, or the planting of 102,949 trees or 5,147 acres of forest in Austin's parks.

# DELL SETON MEDICAL CENTER UT

## REBATE FACT SHEET




Property Name	Dell Seton Medical Center at The University of Texas			
Customer Name	Seton Family of Hospitals			
Property Address	1500 Red River Street			
Total Square Feet	517,000			
Year Built	2017			
Energy Conservation Audit and Disclosure (ECAD) Status <sup>1</sup>	New Construction - EXEMPT			
Total Measure Costs	\$9,705,915			
Total Rebate – Not to Exceed	\$263,741			
% of Total Measure Costs	2.7%			
Scope of Work				
Air Conditioning Units, Regenerative Elevators, Heat Pump Chillers, Kitchen Equipment, High Efficiency Lighting, Variable Frequency Drives				
Project Annual Savings				
Kilowatt (kW) Saved – Estimated	1,092			
\$/kW – Estimated	\$242			
Kilowatt-hours (kWh) Saved – Estimated	6,673,649			
Measures Performed - Last 10 Years at this Property		Completion Date	Rebate Amount	
None – New Construction		N/A	N/A	
Scope of Work				
Measure	Rebate Amount	kW Saved – Estimated	kWh Saved – Estimated	\$/kW
Air Conditioning	\$ 330	0.31	1,279	\$ 1,054
Regenerative Elevators <sup>2</sup>	\$ 22,971	85.97	181,036	\$ 267
Heat Pump Chillers <sup>3</sup>	\$ 129,629	370.40	3,244,418	\$ 350
Kitchen Equipment	\$ 350	4.94	3,764	\$ 71
High Efficiency Lighting	\$ 39,960	377.26	1,974,866	\$ 106
Lighting Controls	\$ 15, 017	100.46	880,580	\$ 149
Variable Frequency Drives <sup>4</sup>	\$ 55,484	152.58	387,706	\$ 727

<sup>1</sup> TITLE 6. ENVIRONMENTAL CONTROL AND CONSERVATION. CHAPTER 6-7. ENERGY CONSERVATION code (ECAD Ordinance).

<sup>2</sup> Regenerative is a type of elevator that recycles energy rather than wasting it as heat. When the elevator cab travels down with a heavy load or up with a light load, the motor acts as a generator, transforming mechanical power into electrical power.

<sup>3</sup> Heat Pump Chillers generate hot water as a by-product of the chilled water system to be used in other systems requiring heat.

<sup>4</sup> Variable Frequency Drives (VFDs) adjust the speed of a pump or motor by varying its input frequency and voltage, thereby reducing its peak power when full speed is not required.

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<b>Recommendation for Council Action (Purchasing)</b>				
Austin City Council	Item ID:	68010	Agenda Number	
Meeting Date:	March 2, 2017			
Department:	Purchasing			
Subject				
<p>Authorize award and execution of a 12-month contract to provide surge arresters with KBS ELECTRICAL DISTRIBUTORS, INC., to provide surge arresters, in an estimated amount of \$149,798, with four 12-month extension options in an estimated amount of \$149,798 per extension option, for a total contract amount not to exceed \$748,990.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$102,756 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding for the remaining four months of the original contract period and extension options are contingent upon available funding in future budgets.</p>				
Fiscal Note				
A fiscal note is not required.				
Purchasing Language:	The Purchasing Office issued an Invitation for Bids (IFB) DNJ0131 for these goods and services on August 22, 2016 and it closed on September 15, 2016 with six offers received. The recommended offer is the lowest offer submitted by a responsible offeror. Additional information on the solicitation is included below.			
Prior Council Action:				
For More Information:	Darralyn N. Johnson, Buyer II, 512-505-7293			
Boards and Commission Action:	February 27, 2017 - To be reviewed by the Electric Utility Commission.			
Related Items:				
MBE / WBE:	This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established.			
Additional Backup Information				

The contract is for the purchase of surge arrestors for Austin Energy. Surge arrestors are protective devices used in electrical substations to limit the magnitude of transient over-voltages on critical equipment such as power transformers. Transient over-voltages in electrical transmission and distribution networks result from the unavoidable effects of lightning strikes and network switching operations. These over-voltages have the potential to result in large financial losses to damaged equipment and lost production. Surge arresters are installed on every substation power transformer. The contract will be used to supply surge arresters for use as replacements for existing units as well as new installations.

There is no current contract for these products. Prior to the expiration of the previous contract on April 12, 2016, Austin Energy ordered surge arresters for its inventory until a new contract could be put in place. The authorization of the previous contract was \$120,000 per year with an actual spend of approximately \$60,000 per year. The requested authorization is based on historical use, emergency preparedness, and growth within the utility's service area. With about 200 substation power transformers in the field, and six surge arresters per unit, Austin Energy has a total of approximately 2,400 surge arresters installed. The requested authorization amount accounts for about a 10% replacement rate.

### **BID TABULATION**

IFB DNJ0131

Surge, Station Class Arresters  
16 line items

<b><u>Vendor</u></b>	<b><u>Line Items Bid</u></b>	<b><u>Annual Bid Amount</u></b>	<b><u>Line Items Awarded</u></b>	<b><u>Annual Award Amount</u></b>
<b>KBS Electrical Distributors Inc.*</b>	<b>15</b>	<b>\$149,797.41</b>	<b>15</b>	<b>\$149,797.41</b>
Techline, Inc.	16	\$160,280.10	0	N/A
Priester Mell-Nicholson	15	\$179,640.00	0	N/A
Texas Electric Cooperative	16	\$189,927.00	0	N/A
KBS Electrical Distributors Inc.*	13	\$212,008.83	0	N/A
Power Supply Inc.	16	\$189,960.00	1	\$4335.00**





\* KBS Electrical Distributors Inc. submitted two different bids offering distinct products.

\*\* Staff will also administratively award a contract to Power Supply Inc. for a single line item.

A complete solicitation package, including a bid tabulation, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)

#### **KBS ELECTRICAL DISTRIBUTORS, INC.**

	<b># months</b>	<b>Contract Amount</b>	<b>Contract Amendment</b>	<b>Revised Amount</b>
Original Term	12	\$ 149,798	n/a	n/a
Extension Option 1	12	\$ 149,798	n/a	n/a
Extension Option 2	12	\$ 149,798	n/a	n/a
Extension Option 3	12	\$ 149,798	n/a	n/a
Extension Option 4	12	\$ 149,798	n/a	n/a
<b>TOTAL</b>	<b>60</b>	<b>\$ 748,990</b>	<b>\$ -</b>	<b>\$ -</b>





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<b>Recommendation for Council Action (Purchasing)</b>				
Austin City Council	Item ID:	68011	Agenda Number	
Meeting Date:	March 2, 2017			
Department:	Purchasing			
Subject				
<p>Authorize negotiation and execution of 60-month contract through the STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES cooperative purchasing program with DELL MARKETING, L.P., to provide Dell hardware and software products and related services including maintenance and support, in a total amount not to exceed \$29,250,000.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$1,370,834 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding in the amount of \$1,458,334 is available in the Fiscal Year 2016-2017 Operating Budget of the Communications and Technology Management Department. Funding for the remaining 53 months of the contract period is contingent upon available funding in future budgets.</p>				
Fiscal Note				
A fiscal note is not required.				
Purchasing Language:	Multiple cooperative purchase programs were reviewed for these goods and services. The Purchasing Office has determined this Contractor best meets the needs of the departments to provide the services required at the best value for the City. The recommended Contractor is one of the current providers for these services.			
Prior Council Action:				
For More Information:	Brett Hardy, Buyer I, 512-322-6122			
Boards and Commission Action:	February 27, 2017 – To be reviewed by the Electric Utility Commission.			
Related Items:				
MBE / WBE:	This contract will be awarded by a cooperative purchase agreement with the State of Texas Department of Information Resources (DIR) in accordance with Chapter 2054 of the Texas Government Code; therefore, goals were not established.			
Additional Backup Information				

The contract is for the purchase of Dell hardware and software products and services including maintenance and support for Austin Energy (AE) and the Communications and Technology Management Department (CTM). This hardware is used to conduct daily operations throughout the City. The contract will facilitate the upgrade, renewal and consolidation of each department's Dell hardware portfolio including related maintenance and support services, and the purchase of new technology hardware and related maintenance and support services on an as-needed basis.

Dell hardware and associated software run and support key utility application management tools such as ADMS, PI Historian, EMO-Manage energy process web server, ERCOT real time web services, data analytics and settlement, GMS interface, and AE employee daily technology communications. This contract will provide AE and CTM with device-level support including access to specialized experts as well as self-help support through Dell Marketing L.P.'s online knowledge-based community, resources, and tools. Dell Marketing L.P. will also provide proactive diagnostics and immediate security alerts.

The Purchasing Office administered a process in which competitive prices in the form of discount percentages from manufacturer's suggested retail price were obtained from providers of Dell hardware products and services, including Dell itself as well as third-party resellers. The process resulted in even greater guaranteed discounts than those available per the State of Texas Department of Information Resources cooperative purchasing program. The recommended vendor, Dell Marketing, L.P., represents the best value to the City based on this competitive comparison.

The contract is new and represents a consolidation of purchases of these products and services into a single contract. The requested authorization amounts are based on forecasted needs for the 60-month term of the contract. AE's historical spend for these products and services has ranged from \$2,900,000 in Fiscal Year 2015 to \$1,400,000 in Fiscal Year 2016. Based on the scheduled replacement of servers and client based hardware refreshes for desktops, tablets, and monitors and maintenance and support services over the next three to five years, AE anticipated its average spend to be approximately \$2,350,000 per year. CTM's historical spend for these products and services, outside of its primary lease contract agreement for PC refreshes, has averaged approximately \$3,500,000 per year.

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<b>RCA Type</b>	Construction Contract w/Allowance and Contingency
<b>RCA - CCO</b>	Austin City Council
<b>Meeting Date:</b>	March 23, 2017
<b>Department:</b>	Capital Contracting Office
<b>Subject</b>	
<p>Authorize execution of a construction contract with MAJESTIC SERVICES INC., for the Austin Energy System Control Center Finish-Out Project, in the amount of \$820,000 plus a \$139,050 contingency and an allowance of \$107,000, in an amount not to exceed \$1,066,050. (District 3)</p>	
<b>Amount and Source of Funding</b>	
<p>Funding in the amount of \$1,100,000 is available in the Fiscal Year 2016-2017 Capital Budget of Austin Energy.</p>	
<b>Fiscal Note</b>	
<p>A fiscal note is attached.</p>	
<b>Purchasing Language:</b>	Lowest responsive bid of three bids received through a competitive Invitation for Bid solicitation.
<b>Prior Council Action:</b>	
<b>For More Information:</b>	Rolando Fernandez, 512-974-7749; Sarah Torchin, 512-974-7141; Paul Sanchez, 512-322-6323; Vince McGlone, 512-322-6420.
<b>Boards and Commission Action:</b>	To be reviewed by the Electric Utility Commission on February 27, 2017.
<b>MBE / WBE:</b>	This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals or through the achievements of Good Faith Efforts with 10.08% MBE and 44.35% WBE participation.
<b>Related Items:</b>	
<b>Additional Backup Information</b>	

In 2012, most of Austin Energy's system operation units moved to its new System Control Center located at 2500 Montopolis Drive in Council District 3. Approximately 10,000 square feet of space remained for future growth. This construction contract will provide for the completion of office space renovation at the System Control Center.

The planned renovation project is needed to enhance the utility's operational efficiency and security while optimizing work space. It is designed to increase system reliability and employee satisfaction. The project will provide for the interior finish-out of approximately 10,000 square feet and allow Austin Energy to relocate three operational units from Town Lake Center to the System Control Center: Remittance Processing, IT Security Operations, and IT Network Operations.

The Remittance Processing Center is responsible for processing all checks received for utility payments through the mail and all wire and automated clearinghouse payments from large commercial customers. It ensures all payment vendor files are received and uploaded daily. The work space must be expanded by 3,000 square feet for additional check processing equipment, a vault-security safe system, and workflow functionality. The relocation of this operational unit to the System Control Center will provide for increased customer volume and increased security.

The Security Operations Center's relocation is necessary due to the rapid pace of changing technology and the risks of cyber threats. The move will add 1,500 square feet of space and improve this unit's ability to anticipate and respond to threats, work more collaboratively, and share knowledge more effectively with other divisions located at the System Control Center. The Security Operations Center acts as a security monitoring, detection, and response hub for the entire enterprise, providing improved situational awareness of IT threats. This relocation will allow the management of incidents, ensuring they are properly identified, analyzed, communicated, actioned/defended, investigated, and reported. It allows monitoring of applications to identify a possible cyber-attack or intrusion, and better determine whether it is a real, malicious incident and its potential business impact.

The Network Operations Center will be relocated to a 6,000 square foot collaborative networking environment. Its relocation is a priority due to the high security measures and technical resources currently in place there. This unit is responsible for monitoring many networks for certain conditions that may require special attention to avoid degraded service or decrease the time of outage and increase the mean time to recovery. In addition to monitoring internal and external networks and related infrastructure, it can monitor social networks to get a head-start on disruptive events as well as give Austin Energy the ability to collaborate with multiple business units in the event of a technical incident command implementation.

With this project, Austin Energy will continue to meet internal and external customer service demands as Austin's population and customer base continue to grow, and communication systems and computer on-line systems are necessary to provide efficient service.

A delay in the award of this contract could result in an inability to provide an adequate working environment for these high security utility operations and employees.

The allowance of \$107,000 will be used to address security guard services, a sound masking system, and a video wall framework. An allowance is an amount that is specified and included in the construction contract or specifications for a certain item(s) of work whose details are not yet determined at the time of bidding.

Due to the potential for corrections or modifications, a 15% contingency in funding has been included to allow for the expeditious processing of any change orders. A contingency is an additional amount of money added to the construction budget to cover any unforeseen construction costs associated with the project.

The contract allows 180 calendar days for completion of this project. This project is located within zip code 78741, in Council District 3. The project will be managed by Austin Energy.

Majestic Services Inc. is located in Austin, Texas.

Information on this solicitation is available through the City's Financial Services website. Link: Solicitation Documents.

## M/WBE Summary – Construction Contract w/contingency

Public notice was given for this solicitation, IFB 6100 CLMC627 Austin Energy System Control Center: Remittance Processing Security Networking Operations Finish Out, through the City's Vendor Connection web portal which resulted in (527) contractors receiving notification. Fifty-five (55) contractors subscribed to the solicitation in Vendor Connection and **three** bids were received and opened on **December 22, 2016**. Majestic Services Inc. submitted the lowest responsive bid of 3 bids received including a \$107,000 allowance:

	<u>Base Bid</u>	<u>Base Bid + Allowances</u>
Majestic Services Inc. (MWBE/FB), Austin, Texas	\$820,000	\$927,000
IE2 Construction, Austin, Texas	\$971,516	\$1,078,516
Southwest Corporation, Austin, Texas	\$1,279,634	\$1,386,634





The contractor's choice of work methodology provides for 6 areas of subcontracting opportunities which are listed below. Project specific sub-goals stated in the solicitation were 1.79% African American; 1.36% Hispanic; 0.54% Native/Asian, 1.79% WBE. Total participation estimated on base bid amount of \$820,000:

<u>WBE – PRIME</u>	<u>\$304,165</u>	<u>37.10%</u>
(FB) Majestic Services Inc, Austin, TX	\$304,165	37.10%
<u>MBE TOTAL – SUBCONTRACTORS</u>	<u>\$93,429</u>	<u>11.39%</u>
<u>African American Subtotal</u>	<u>\$83,429</u>	<u>10.17%</u>
(MB) ASD Consultants, Austin, TX (Concrete, Interior Finish)	\$83,429	10.17%
<u>Hispanic Subtotal</u>		<u>0.0%</u>
<u>Native/Asian Subtotal</u>	<u>\$10,000</u>	<u>1.22%</u>
(MA) Frank Lam & Associates, Austin, TX (Engineering Consultants)	\$10,000	1.22%
<u>WBE TOTAL – SUBCONTRACTORS</u>		<u>0.0%</u>
<u>NON M/WBE TOTAL – SUBCONTRACTORS</u>	<u>\$422,406</u>	<u>51.51%</u>
Estrada Martin, Cedar Creek, TX (Mill Work)	\$25,000	3.05%
Efficient Air Conditioning, Austin, TX (Mechanical)	\$99,991	12.19%
Mc Coy-Rockford, Austin, TX (Flooring)	\$158,000	19.27%
Bee Electric, Elgin, TX (Electrical)	\$139,415	17.00%





The Contractor submitted a MBE/WBE Compliance Plan that demonstrated a Good Faith Effort and was approved by the Small and Minority Business Resources Department. Second and third low bidder information is provided.

SECOND BIDDER – IE2 CONSTRUCTION, Austin, TX \$971,516  
92.28% NON M/WBE prime participation; 5.10% African American; 2.30% Hispanic; 0.0% Native/Asian; 0.32% WBE; 0.0% Non M/WBE subcontractor participation.

THIRD BIDDER – SOUTHWEST CORPORATION, Austin, TX \$1,279,634  
32.37% NON M/WBE prime participation; 0.51% African American; 5.06% Hispanic; 0% Native/Asian; 0.06% WBE; 62.0% Non M/WBE subcontractor participation.

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Recommendation for Council Action (Purchasing)				
Austin City Council	Item ID:	68504	Agenda Number	
Meeting Date:	March 23, 2017			
Department:	Purchasing			
Subject				
<p>Authorize negotiation and execution of a 36-month contract through the STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES cooperative purchasing program with SOLID BORDER, to provide RedSeal software and services, in an amount not to exceed \$312,000.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$52,000 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding for the remaining 30 months of the contract period is contingent upon available funding in future budgets.</p>				
Fiscal Note				
A fiscal note is not required.				
Purchasing Language:	Multiple cooperative purchase programs were reviewed for these goods and services. The Purchasing Office has determined this Contractor best meets the needs of the department to provide the goods and services required at the best value for the City. The recommended Contractor is the current provider for these goods and services.			
Prior Council Action:				
For More Information:	Gabriela Harthcock, Buyer II, 512-322-6118			
Boards and Commission Action:	February 27, 2017 - To be reviewed by the Electric Utility Commission.			
Related Items:				
MBE / WBE:	This contract will be awarded by a cooperative purchase agreement with the State of Texas Department of Information Resources (DIR) in accordance with Chapter 2054 of the Texas Government Code; therefore, goals were not established.			
Additional Backup Information				
<p>The contract is for the purchase of RedSeal software and services including maintenance and support for Austin Energy. The contract will facilitate the upgrade, renewal and consolidation of RedSeal software and services in order to continue the audit of Austin Energy's multi-vendor firewalls for compliance with North American Electric Reliability Corporation (NERC) requirements, and to maintain and prevent access which would violate NERC policies.</p> <p>RedSeal software is used to measure and manage the digital resilience of Austin Energy's network, and verify compliance, and accelerate incident response. This contract will also allow for the purchase of new firewall and network security technology equipment, software and related services on an as-needed basis.</p>				





The contract is new in that it represents a consolidation of purchases for these products and services into a single contract. The requested authorization amounts are based on Austin Energy's forecasted needs of the contract. Austin Energy's historical spend for these products and services averages approximately \$104,000 per year. Austin Energy has used RedSeal software and services since 2011.

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Recommendation for Council Action (Purchasing)				
Austin City Council	Item ID:	68507	Agenda Number	
Meeting Date:	March 23, 2017			
Department:	Purchasing			
Subject				
<p>Authorize negotiation and execution of 24-month contract through the STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES cooperative purchasing program with ACCUDATA SYSTEMS, to provide Palo Alto Networks Security Platform products and software including maintenance and support, in an amount not to exceed \$3,000,000.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$750,000 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding for the remaining 18 months of the contract period is contingent upon available funding in future budgets.</p>				
Fiscal Note				
<p>A fiscal note is not required.</p>				
Purchasing Language:	<p>Multiple cooperative purchase programs were reviewed for these goods and services. The Purchasing Office has determined this Contractor best meets the needs of the department to provide the goods and services required at the best value for the City. The recommended Contractor is one of the current providers for these goods and services.</p>			
Prior Council Action:				
For More Information:	Brett Hardy, Buyer I, 512-322-6122			
Boards and Commission Action:	February 27, 2017 – To be reviewed by the Electric Utility Commission.			
Related Items:				
MBE / WBE:	<p>This contract will be awarded by a cooperative agreement with the State of Texas Department of Information Resources (DIR) in accordance with Chapter 2054 of the Texas Government Code; therefore goals were not established.</p>			
Additional Backup Information				

The contract is for the purchase of Palo Alto Network Next-Generation Security Platform hardware products and services including maintenance and support for Austin Energy. The contract will facilitate the upgrade, renewal and consolidation of Austin Energy's Palo Alto hardware product portfolio including related maintenance and support services, and the purchase of new technology hardware and related maintenance and support services on an as-needed basis.

Palo Alto hardware and associated software run and support key security infrastructures within the Austin Energy network. The contract will provide for the upgrade, renewal and consolidation of Palo Alto services in order to continue the safety and prevention of known and unknown threats across the network, cloud and endpoints. The integration of the platform delivers a prevention of architecture that provides superior security. In addition, Austin Energy is required under the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection regulations to provide firewalls that are application aware and/or provide intrusion prevention signatures. The Palo Alto Networks firewall currently provides the most suitable platform to meet this requirement.

The contract is new and represents a consolidation of purchases of these products and services into a single contract. The requested authorization amount is based on forecasted needs of the contract. Austin Energy's historical spend for these products and services has averaged approximately \$1,500,000 per year.





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<b>Recommendation for Council Action (Purchasing)</b>				
Austin City Council	Item ID:	68505	Agenda Number	
Meeting Date:	March 23, 2017			
Department:	Purchasing			
Subject				
<p>Authorize negotiation and execution of 36-month contract through THE COOPERATIVE PURCHASING NETWORK cooperative purchasing program with CDW-GOVERNMENT LLC, to provide Autodesk products and services including maintenance and support, in an amount not to exceed \$375,000.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$62,500 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding for the remaining 30 months of the contract period is contingent upon available funding in future budgets.</p>				
Fiscal Note				
A fiscal note is not required.				
Purchasing Language:	Multiple cooperative purchase programs were reviewed for these goods and services. The Purchasing Office has determined this Contractor best meets the needs of the department to provide the goods and services required at the best value for the City. The recommended Contractor is not the current provider for these goods and services.			
Prior Council Action:				
For More Information:	Gabriela Harthcock, Buyer II, 512-322-6118			
Boards and Commission Action:	February 27, 2017 – To be reviewed by the Electric Utility Commission.			
Related Items:				
MBE / WBE:	This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this procurement, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established.			
Additional Backup Information				

The contract is for the purchase of Autodesk products and services including maintenance and support. The contract will facilitate the upgrade, renewal, and consolidation of Autodesk services for Austin Energy, including computer-aided design (AutoCAD) solutions. This contract will also allow for the purchase of new network technology equipment, software, and related services on an as-needed basis.

Autodesk software includes AutoCAD Utility Design, Standard and Ultimate Design and 3D Max Design. Autodesk provides Austin Energy with device-level support including access to specialized experts as well as self-help support through Autodesk's online knowledge-based community, resources, and tools. AutoCAD also provides proactive diagnostics and immediate security alerts. Autodesk is used to create and edit AutoCAD drawings used for installation of critical communications. Additionally, AutoDesk is utilized by Austin Energy to review and edit existing drawings necessary for repairs, upgrades, installation, and removal of existing or new equipment and systems.

The contract will allow Austin Energy to receive North American Electric Reliability Corporation (NERC) required software updates and patches for all current AutoCAD products to ensure network security and compliance requirements.

The contract is new and represents a consolidation of purchases of these products and services into a single contract. The requested authorization amounts are based on Austin Energy's forecasted needs. Austin Energy's historical spend for these products and services has averaged approximately \$110,000 per year.

<div style="text-align: center;"> A U S T I N C I T Y C O U N C I L  <b>AGENDA</b> </div> <div style="display: flex; justify-content: space-around;">     </div>				
<b>Recommendation for Council Action (Purchasing)</b>				
Austin City Council	Item ID:	68506	Agenda Number	
Meeting Date:	March 23, 2017			
Department:	Purchasing			
Subject				
<p>Authorize negotiation and execution of a 60-month contract with TEXAS ELECTRIC COOPERATIVES, to provide electric meters, in an amount not to exceed \$30,000,000.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$2,500,000 is available in the Fiscal Year 2016-2017 Capital Budget of Austin Energy. Funding for the remaining 54 months of the original contract period are contingent upon available funding in future budgets.</p>				
Fiscal Note				
A fiscal note is attached.				
Purchasing Language:	Sole Source			
Prior Council Action:				
For More Information:	Darralyn N. Johnson, Buyer II, 512-505-7293			
Boards and Commission Action:	February 27, 2017- To be reviewed by the Electric Utility Committee.			
Related Items:				
MBE / WBE:	This contract is exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established.			
Additional Backup Information				
<p>The contract is for the purchase of commercial and residential electric meters to be deployed throughout Austin Energy's service territory on an as needed basis. The meters are to provide electric service to new customers in response to growth and maintenance in Austin Energy's service territory, including an expected increase in the number of solar installations. The meters have increased capability and reliability to support increased functionality requirements such as flexible and multi-tier rate structures, enhanced outage notification, meter and event alarming for detecting theft and installation issues, and enhanced customer energy usage. The meters will improve overall revenue collections on customer accounts and support customer experience and operational requirements. Additionally, these meters will streamline complex metering operations to reduce costs for Austin Energy.</p> <p>This purchase is not directly related to the electric meter contracts approved by City Council last year. Meters purchased last year were for specific residential and commercial meter replacement projects: commercial meters for a</p>				


replacement project in June 2016; residential meters for a replacement project in October 2016; and installation services for the commercial meter replacement project in December 2016.

Austin Energy utilizes Landis + Gyr's Grid Stream and Command Center as its advanced metering infrastructure communication network and headend system. Only Landis + Gyr meters will interface with this proprietary system to allow Austin Energy to optimize usage of the features and functionality of the new meters, including over-the-air programming which will allow the meters to be reprogrammed remotely, eliminating a truck roll and meter exchange in the field. The meters also have advanced temperature measurement capabilities that can send an alert if its temperature exceeds the specified level indicating a wiring issue or hot socket.

These meter system features and functions support Austin Energy's strategic goals and objectives regarding system reliability and outage management, reduction of greenhouse gas emissions, and safety.

Landis+Gyr is the sole manufacturer of these proprietary products and Texas Electric Cooperatives is the exclusive authorized distributor of Landis+Gyr products for the public power market in Texas. Texas Electric Cooperatives will stock the meters locally and provide them to Austin Energy as required.

These products are currently being procured as part of another contract that includes many other products. The previous spend for these meters has averaged approximately \$5,167,000 annually. The authorization requested represents this amount plus an approximately 17% allowance for growth.

A U S T I N C I T Y C O U N C I L				
A G E N D A				
				
Recommendation for Council Action (Purchasing)				
Austin City Council	Item ID:	68971	Agenda Number	
Meeting Date:	March 23, 2017			
Department:	Purchasing			
Subject				
<p>Authorize amendments to the contracts with AFMA INC., FACILITIES RESOURCE INC. (WBE), FURNITURE MARKETING GROUP INC., HAWORTH INC., MCCOY-ROCKFORD INC., SHELTON-KELLER GROUP INC., SOUTHERN ALUMINUM MANUFACTURING INC., SOUTHWEST SOLUTIONS GROUP INC., VANGUARD ENVIRONMENTS INC. and WORKPLACE RESOURCE LLC, and provide the continued purchase and installation of office furniture, to extend the term by 12 months for an estimated amount of \$3,663,000, for a total revised contract amount not to exceed \$12,463,000; each and combined.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$2,550,000 is available in the Fiscal Year 2016-2017 Operating Budget of various City departments.</p>				
Fiscal Note				
A fiscal note is not required.				
Purchasing Language:	Contract Amendments			
Prior Council Action:	February 14, 2013 – approved original contract, item #33.			
For More Information:	Roger Stricklin, Corporate Contract Administrator, 512-974-1727			
Boards and Commission Action:	<p>March 8, 2017 - To be reviewed by the Water and Wastewater Commission.</p> <p>February 27, 2017 - To be reviewed by the Electric Utility Commission.</p>			
Related Items:				
MBE / WBE:	<p>This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this procurement, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established.</p>			
Additional Backup Information				
<p>This item is to authorize a 12-month interim extension of the current furniture contracts. During this interim period, the Purchasing Office will work with City departments to develop an enterprise strategy for furniture. Initial goals for this enterprise strategy include standardizing furniture types and styles, reducing the number of furniture manufacturers used throughout departments, increasing opportunities for local and minority and women owned businesses, and expanding sustainability elements including furniture reuse, refurbishing, and recycling.</p> <p>These contracts will provide for the purchase and installation of various types and models of office furniture to replace existing furniture, provide new furnishings, and support remodeling and expansion projects. These contracts will be indefinite delivery contracts and no orders will be placed until a specific need exists.</p> <p>The Contractors currently meet a number of sustainability attributes. Some of these standards include compliance</p>				

with appropriate Leadership in Energy and Environmental Design (LEED®) criteria for indoor air contaminants, Forest Stewardship Council (FSC®) certification of wood, waste recycling, and incorporation of recycled content in products. Much of the furniture available under this contract is designed to be ecologically sound, featuring eco-design techniques for achieving sustainability such as saving materials, energy efficient manufacturing, the use of recycled contents, and utilization of recyclable content.

Facilities Resource Inc. is a certified Women-Owned Business Enterprise (WBE) with the City. Shelton-Keller Group, Inc. and Workplace Resource LLC are certified State of Texas Women Owned Historically Underutilized Business (HUB) vendors. Southwest Solutions Group, Inc. and Vanguard Environments Inc. are certified State of Texas Small Business HUB vendors. Whenever available, local vendors will be used for furniture delivery and installation services.

The Building Services Department (BSD) currently provides maintenance and support services to over 200 buildings located throughout the City. Support services consist of the purchase and installation of a variety of office furnishings, including but not limited to modular systems, seating and conference room furniture. BSD is frequently requested by other City departments to assist in the redesign of office spaces to accommodate new staff or project requirements. In order to consistently maintain the original design features, BSD must order from the furniture company that provided the current furnishings. Use of cooperatives under this contract will allow BSD to deliver timely responses to its customers.

Austin Energy's (AE) Facilities Management provides maintenance and support services to 20 separate locations. Support provided includes coordinating the purchase and installation of a variety of office furniture including modular systems, conference room and office furniture, and seating. As part of its Facilities Master Plan, AE plans to remodel and repurpose areas in several facilities which will require the purchase of modular furniture including cubicles and office furniture including desks, chairs, and shelving. When possible, AE re-uses furniture and fixtures.

The Aviation Department has several Austin-Bergstrom International Airport terminal improvements and furniture replacement projects. Aviation also plans to provide replacement parts for existing furniture. In addition, Austin Water (AW) anticipates the need to purchase auxiliary furniture products for the renovation of their information technology area and several other budgeted renovations projects.

Use of the Local Government Purchasing Cooperative administered by Texas Association of School Boards (BuyBoard), U.S. Communities Government Purchasing Alliance, and Texas Multiple Award Schedule (TXMAS) cooperatives will allow the City to compare prices among a number of firms, ensuring the best value to the City. These cooperatives establish competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program. In addition, local vendors are included in the contracts and will be utilized for any installation service.

**AFMA INC., FACILITIES RESOURCE INC., FURNITURE MARKETING GROUP INC., HAWORTH INC., MCCOY-ROCKFORD INC., SHELTON-KELLER GROUP INC., SOUTHERN ALUMINUM MANUFACTURING INC., SOUTHWEST SOLUTIONS GROUP INC., VANGUARD ENVIRONMENTS INC. and WORKPLACE RESOURCE LLC**

	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	12	\$ 2,000,000	n/a	\$ 2,000,000
Extension Option 1	12	\$ 1,700,000	n/a	\$ 1,700,000
Extension Option 2	12	\$ 1,700,000	n/a	\$ 1,700,000
Extension Option 3	12	\$ 1,700,000	n/a	\$ 1,700,000
Extension Option 4	12	\$ 1,700,000	n/a	\$ 1,700,000
Proposed Extension	12	\$ -	\$ 3,663,000	\$ 3,663,000
<b>TOTAL</b>	<b>72</b>	<b>\$ 8,800,000</b>	<b>\$ 3,663,000</b>	<b>\$ 12,463,000</b>