

Recommendation for Council Action**Council Meeting Date:**

April 25, 2019

Posting Language

Authorize execution of an agreement with Accesso Services LLC, dba, BRI 1969 Parmer LLC, to provide performance-based incentives for the generation of solar energy at its office park facilities located at 7700 W. Parmer Ln., Buildings A, B, C, and D, for an estimated \$142,720 per year, for a total amount not to exceed \$1,427,200 over a 10-year period. (District 6)

Fiscal Note

Funding is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy.

For More Information:

Jeff Vice, Director, Local Government Issues (512) 322-6087; Tim Harvey, Solar Program Manager (512) 482-5386.

Council Committee, Boards and Commission Action:

April 8, 2019 – To be reviewed by the Electric Utility Commission. April 16, 2019 – To be reviewed by the Resource Management Commission.

Additional Backup Information:

Austin Energy requests authorization to enter into an agreement with Accesso Services LLC, DBA, BRI 1969 Parmer LLC, to provide a performance-based incentive (PBI) in an amount not to exceed \$1,427,200 over 10 years, for the generation of solar energy at its facilities located at 7700 W. Parmer Lane, in Council District 6.

The total installation cost is \$4,050,250.50 and the incentive will cover up to 35% of the cost. The PBI level for this project is at \$0.03 and \$0.04 per kilowatt hour (kWh) for 10 years. The solar equipment, which meets Austin Energy's program requirements, includes a total of 6,957 solar modules rated at 345 and 360 watts. The combined solar installations will have a total capacity of 2,074.55 kW-AC.

Austin Energy's solar program supports the community's solar goal of 950 megawatts (MW) by 2025, including 200 MW of local solar capacity, established in the updated Resource, Generation and Climate Protection Plan approved by City Council in August 2017. The solar program is designed to reduce the amount of electricity Austin Energy must purchase from the market and reduce associated greenhouse gas emissions.

These new energy improvements will together generate an estimated 3,435,312 kWh per year—enough to power 304 average Austin homes for a year. This project is estimated to prevent the production of the following emissions each year: 2,274 tons of Carbon Dioxide (CO₂); 2,867 pounds of Sulfur Dioxide (SO₂); 3,170 pounds of Nitrogen Oxide (NO_x); and 2,203 pounds of Carbon Monoxide (CO). These emissions reductions are equivalent to planting 52,994 trees or 2,650 acres of forest in Austin's parks or the removal of 4,631,428 vehicle miles or 395 cars from Austin roadways.

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

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



Austin Energy Project Fact Sheet Solar Applications

File Number(s)	1163178, 1163181, 1163183 1163184, 1163185, 1163186
Customer Name	ACCESSO SERVICES LLC DBA BRI 1969 PARMER LLC
Facility Addresses	7700 W Parmer Ln BLDG A 7700 W Parmer Ln BLDG B 7700 W Parmer Ln BLDG C 7700 W Parmer Ln BLDG D
Estimated Incentives	\$142,719.42 per year for 10 years
Application Received Date	3/15/2019
Number of Modules	6957
Wattage per Module (STC)	345 & 360
Solar Contractor	The Brandt Companies, LLC
Installation Cost	\$4,050,250.50
Estimated kWh Savings	3,435,312 kWh
Estimated kW Demand Savings	2,074.55 kW-AC
Estimated Date of Completion	2018
Site Information/Additional Comments	Office Park, 6 interconnections at 4 buildings (Bldgs. B & C have two each). PBI levels are at \$0.03 and \$0.04 per kWh.

Posting Language

Authorize amendments to existing contracts with Megawatt Machine Services, LLC and Setpoint Integrated Solutions, Inc., to provide continued specialized valve repair, replacement and testing, for an increase in the amount of \$1,500,000, for revised contract amounts not to exceed \$4,117,000 divided between the contractors.

(Note: These contracts were 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 these contracts, there were an insufficient number of certified M/WBEs; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$583,324 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy. Funding for the remaining contract terms are contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

October 6, 2016 – Council approved the original contract, item 43, on an 8-0 vote, with Council Members Houston and Zimmerman abstaining and Council Member Troxclair absent.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to Terry V. Nicholson, at 512-322-6586 or Terry.Nicholson@austinenergy.com.

Council Committee, Boards and Commission Action:

April 8, 2019 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

These contracts provide Austin Energy with labor and materials for standard and emergency valve repairs at its power plants on an as-needed basis. The repairs require specialized equipment and training to maintain safe and reliable operation due to the large and complex valves used at power plants. Maintenance covered under these contracts include boiler safety valves which must be performed by contractors certified by the National Board of Boiler and Pressure Vessel Inspectors. Properly functioning safety valves are required by the State of Texas for boiler licensing and are critical to safety of plant personnel and equipment.

These contracts are primarily used for planned spring and fall outage support at power plants. The additional authority requested is critical to cover future outages and includes contingency funding for unplanned repairs, especially during the peak summer season. These contracts authorize two qualified contractors to compete on

a per-project basis to provide specialized services, such as planned maintenance, emergency maintenance, parts, inspections, and valve replacements.

The current contracts expire in November 2022; however, remaining authorization is low due to unanticipated maintenance requirements and higher prices for the services covered by these contracts. Without this additional authorization, the power plants risk the ability to pass State of Texas mandated inspections and operate safely and reliably.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	2 yrs.	\$1,000,000		\$1,000,000
Administrative Increase		\$ 58,000		\$ 58,000
Extension Option 1	2 yrs.	\$ 750,000		\$ 750,000
Administrative Increase		\$ 59,000		\$ 59,000
Extension Option 2	2 yr.	\$ 750,000		\$ 750,000
Proposed Amendment			\$1,500,000	\$1,500,000
TOTALS	6 yrs.	\$2,617,000	\$1,500,000	\$4,117,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Posting Language

Authorize negotiation and execution of a multi-term cooperative contract with ConvergeOne, Inc., to provide Avaya products, services and maintenance, for up to three years for a total contract amount not to exceed \$4,500,000.

(Note: 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 no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$1,104,000 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Multiple vendors within this cooperative purchasing program 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.

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to Brett Hardy, at 512-322-6122 or Brett.Hardy@austinenergy.com.

Council Committee, Boards and Commission Action:

April 8, 2019 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract is for Avaya unified communications and collaborations products, services and maintenance to support the Utility Contact Center and Austin 3-1-1. This contract will provide continuous support for telephony and hardware platform, applications and/or operating systems on which the Utility Contact Center and Austin 3-1-1 rely. It will also provide end-to-end application and system monitoring, incident management, service management and move-add-change account services.

This 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 for the term of the contract.

The State of Texas Department of Information Resources cooperative establishes 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.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$1,300,000
Optional Extension 1	1 yr.	\$1,500,000
Optional Extension 2	1 yr.	\$1,700,000
TOTAL	3 yrs.	\$4,500,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Posting Language

Authorize negotiation and execution of a cooperative contract with Insight Public Sector, to provide Solarwinds products and services including maintenance, training and support services, for a term of five years in an amount not to exceed \$700,000.

(Note: 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 no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$97,000 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

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.

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov, or to Brett Hardy, at 512-322-6122 or Brett.Hardy@austinenergy.com.

Council Committee, Boards and Commission Action:

April 8, 2019 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract is for Solarwinds products and services including maintenance support, upgrades and training for Austin Energy. Solarwinds is a network performance management software utilized by Austin Energy to manage and monitor technology networks, systems, and infrastructure. This system alerts Austin Energy personnel to issues related to its technology control systems prior to failure or damage so that remedies may be completed in less time and with minimal expense.

This 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 for the term of the contract.

U.S. Communities Information Technology Products and Services cooperative establishes competitively bid

contracts that can be utilized by government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

Posting Language

Authorize negotiation and execution of a contract with PA Consulting Group, Inc., to provide consulting services to refresh Austin Energy's strategic plan, in an amount not to exceed \$150,000.

(Note: 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 services required, there were no subcontracting opportunities; therefore no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy.

Purchasing Language:

Professional Service.

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to Sai Xoomsai Purcell, at 512-505-7601 or Sai.Xoomsai@austintexas.gov.

Council Committee, Boards and Commission Action:

April 8, 2019 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide consulting services to refresh Austin Energy's strategic plan released in 2016 and its strategic initiatives released in 2017. The refresh will focus on achieving two goals. The first goal is to assess strategic initiatives and metrics for relevance to Austin Energy's strategic goals and the strategic outcomes included in the City's Strategic Direction 2023. Secondly, the contractor will advise Austin Energy on improving operationalization of the strategic plan through targeted communication and performance reporting, resourcing to support strategic initiatives, further clarification of roles and responsibilities, and developing a balanced process for assessing alignment with Austin Energy's strategic goals and City strategic outcomes on an annual basis.

Austin Energy contacted three companies known to have extensive experience in the utility space and an understanding of the Electric Reliability Council of Texas market. Austin Energy reviewed proposal received from each of the three companies and selected the best experienced company.

PA Consulting Group, Inc. facilitated Austin Energy's current strategic plan. The contractor has extensive

experience with municipal utilities in the areas of strategic planning, current state and best practices, utility customer expectations and energy markets.

Posting Language

Authorize an amendment to the existing contract with Landis+Gyr Analytics, LLC, for software upgrades and implementation, support, and system enhancing services of the meter data management system, for an increase in the amount of \$3,130,000, and to extend the term by five years, for a revised total contract amount not to exceed \$6,845,750.

(Note: This contract was awarded in compliance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. No subcontracting opportunities were identified; therefore, no goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$1,294,715 is available in the Fiscal Year 2018-2019 Capital Budget of Austin Energy. Funding in the amount of \$152,902 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

July 24, 2008 – Council approved the original contract, item 56, on a 7-0 vote.

January 13, 2011 – Council approved the contract amendment, item 18, on a 7-0 vote.

March 7, 2013 – Council approved the contract amendment, item 24, on a 7-0 vote.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to Sai Xoomsai Purcell, at 512-505-7601 or Sai.Xoomsai@austintexas.gov.

Council Committee, Boards and Commission Action:

April 8, 2019 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The meter data management system (MDMS) is a software system utilized by Austin Energy to manage customer meter data and store real-time meter reads and 15-minute interval reads for nearly 500,000 meters served by Austin Energy. The Council approved the purchase and installation of the MDMS for Austin Energy in 2008 and approved system upgrades and enhancements in 2011 and 2013.

The proposed amendment is for an upgrade to the latest version of the MDMS with a support extension. The upgrade includes maintenance and support and additional software modules. The current version of Austin Energy's MDMS is several releases behind; therefore, upgrading to the latest version, with key

customizations, will provide significant business enhancements. These improvements include automated remote service switching, exceptions management (automated identification of potential data anomalies), and further meter data integrations across additional utility platforms.

The MDMS is the facilitator of meter data and meter access throughout the utility. The system serves as a gateway into Austin Energy's Advanced Metering Infrastructure network, whose primary purpose is to provide meter read data to the customer billing system. This upgrade project further enables the MDMS to support other business led projects including the automation of remote service switching, a process by which a residential customer's electricity can be remotely turned on and off at the meter as needed. The ability to process hundreds of transactions simultaneously allows for quicker customer service and significantly reduces the need to dispatch a truck to a customer location. The automation of remote service switching alone simultaneously supports carbon reduction, business efficiency, operational excellence, and employee safety.

The current contract expires on September 30, 2019; however the length of time required to test and implement this software system upgrade is estimated to be at least six months from the date the contract is signed. A delay in approving this amendment would prevent the aforementioned dependent projects from delivering on time, and failure to approve the amendment would leave Austin Energy without the necessary enhanced capabilities and support for the 24/7 business critical system.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	16 months	\$1,063,306		\$1,063,306
Contract Amendment		\$ 12,820		\$ 12,820
Extension Option 1	1 year	\$ 131,031		\$ 131,031
Contract Amendment		\$ 425,000		\$ 425,000
Extension Option 2	1 year	\$ 134,962		\$ 134,962
Extension Option 3	4 years, 2 months	\$ 139,011		\$ 139,011
Contract Amendment		\$1,666,438		\$1,666,438
Extension Option 4	1 year	\$ 143,182		\$ 143,182
Proposed Amendment	5 years		\$3,130,000	\$3,130,000
TOTALS	14 years, 6 months	\$3,715,750	\$3,130,000	\$6,845,750

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Posting Language

Authorize negotiation and execution of a multi-term contract with Spatial Business System, Inc., to provide maintenance, support and system upgrades for the automated utility design software, for up to five years for a total contract amount not to exceed \$1,160,000.

(Note: 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 subcontract opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$397,000 is available in the Fiscal Year 2018-2019 Capital Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Austin Energy is designating this purchase as a Critical Business Need in accordance with Senate Bill 7, as adopted by the City as Resolution No. 040610-02.

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or Sai Xoomsai Purcell, at 512-505-7601 or Sai.Xoomsai@austintexas.gov.

Council Committee, Boards and Commission Action:

April 8, 2019 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide maintenance, support, training, and system upgrades for the automated utility design (AUD) software utilized by Austin Energy. The AUD software is a critical utility design software used by Austin Energy's electric service delivery design teams to add, change, or modify construction designs for Austin Energy's system-wide electric grid. Following design work, the data is provided to electric service delivery construction crews responsible for building and modifying construction projects, and then shared with Austin Energy's Geographic Information Systems team, responsible for maintaining an accurate geospatial record of the electric grid.

Austin Energy initially purchased the AUD software in 2009. This contract will replace the previous contract which expired on December 31, 2017. The upgrade will bring the existing software current with 2019 design standards and will also replace custom code with commercial off-the-shelf configurations, allowing flexibility and compatibility with any future upgrades.

Austin Energy's AUD software is two versions behind and this has resulted in compatibility issues with external contractor's drawing, data corruption, and slower design processing for a steadily growing number of customers. The upgrade will provide Austin Energy the ability to: better meet customer expectations; reduce safety risk for field crews; increase accuracy of its grid data; and meet industry-based standards.

If contract is not approved, Austin Energy will not be able to receive updated and supported versions of the AUD licenses and will continue experiencing construction drawing data integrity issues, delays in meeting customer expectations, and the tool will eventually become inaccessible due to compatibility issues. Construction crews will be forced to revert to a paper process and safety risks will continue increasing.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$ 477,325
Optional Extension 1	1 yr.	\$ 164,500
Optional Extension 2	1 yr.	\$ 172,725
Optional Extension 3	1 yr.	\$ 172,725
Optional Extension 4	1 yr.	\$ 172,725
TOTAL	5 yrs.	\$1,160,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.