

Procurement Overview

Presented by City of Austin
Purchasing Office

For Electric Utility Commission

January 13, 2020

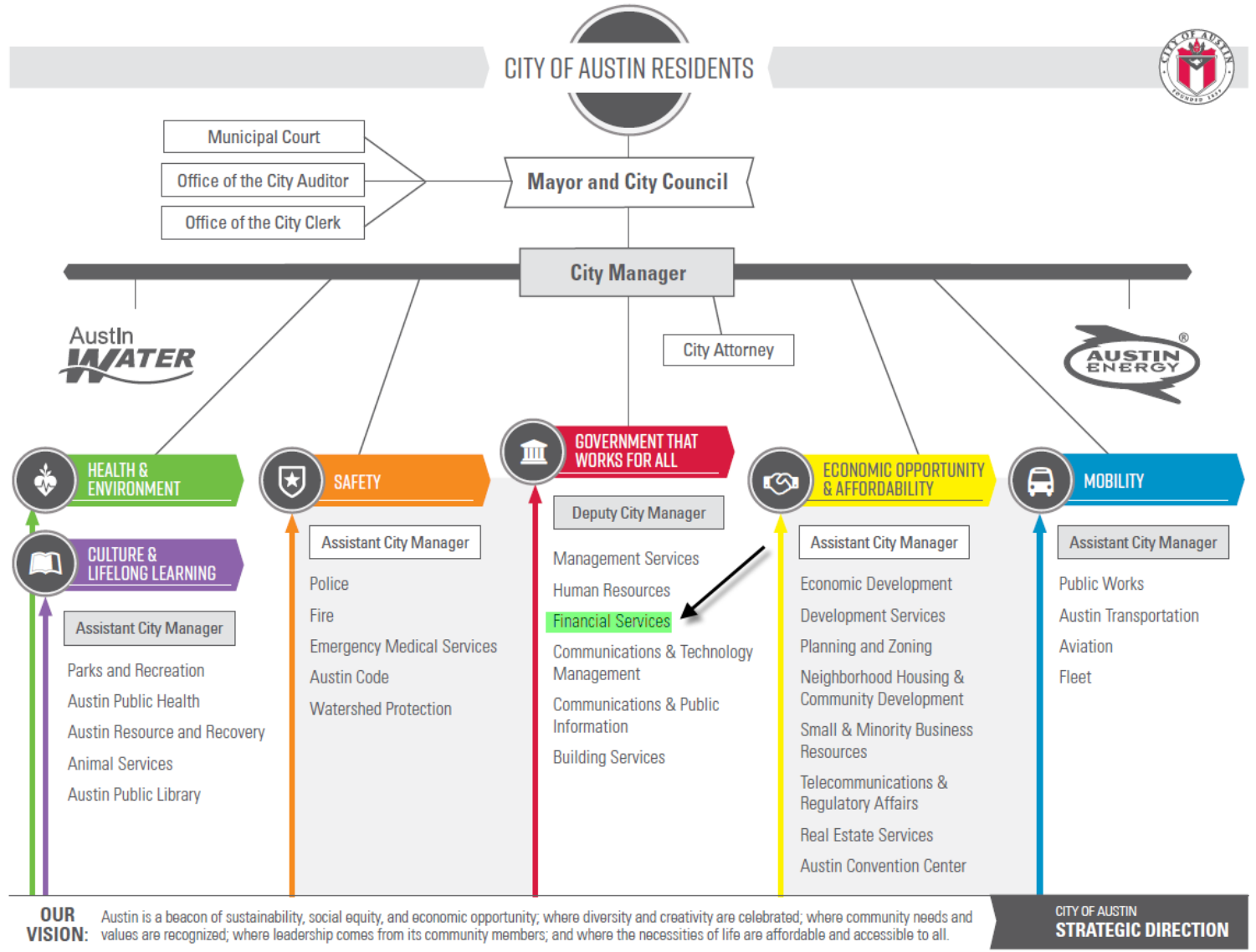
City of Austin Purchasing Office

Corporate internal services organization supporting all City departments, including Austin Energy

Responsible for procurement of non-construction goods and services

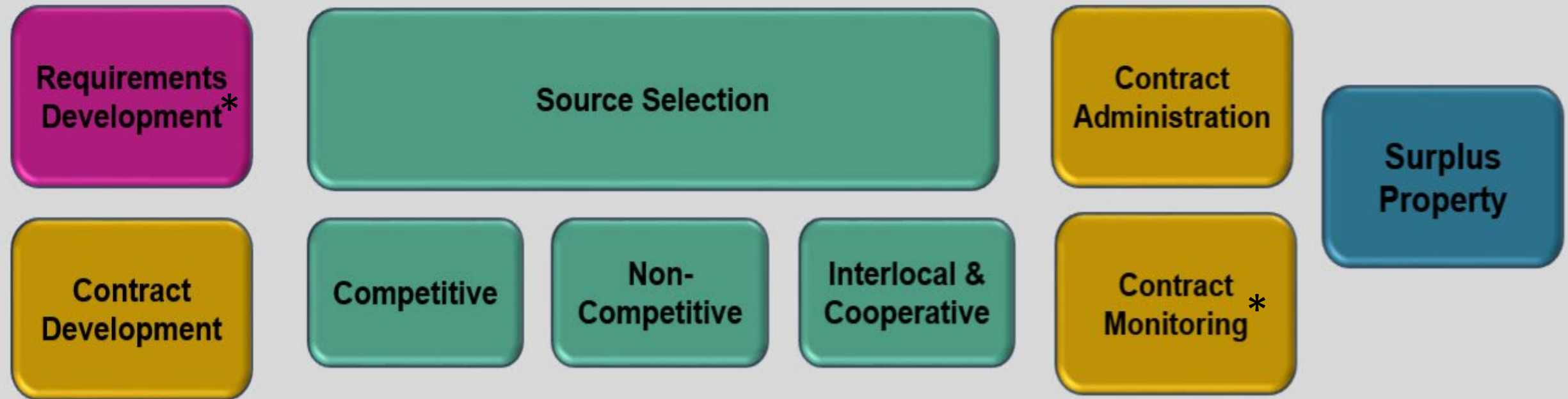
“Government That Works for All” strategic outcome

Procurement staff dedicated specifically to Austin Energy’s needs = 15



Procurement

Purchasing, renting, leasing, or otherwise acquiring any supplies, services, or construction; and all functions that pertain to the acquisition, including description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration. (National Institute of Government Procurement)



* Department responsibility

Procurement Guidance

Texas Local Government Code, Ch 252

City Charter

Administrative Bulletins 03-01 and 84-07

Council Resolution 040610-02

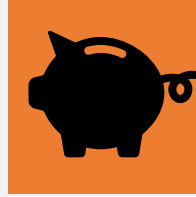
Policies enacted by City Council

Purchasing Office Policies and Procedures

Other – industry best practices

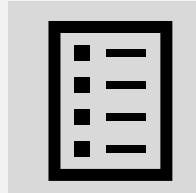
Formal Solicitation

Open Market Competition



Invitation for Bid (IFB)

Specific, price only



Request For Proposal (RFP)

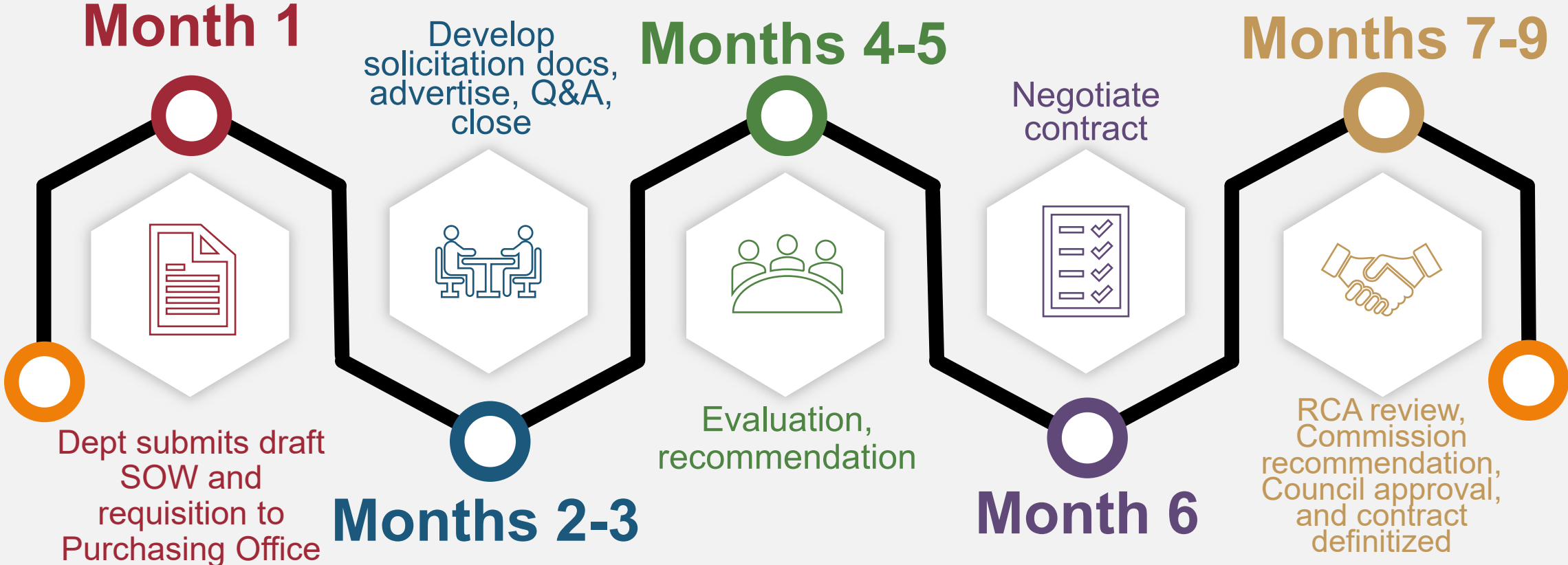
City seeks a solution, evaluation based on price and other criteria



Request For Qualification Statement (RFQS)

Experience, credentials, work history

From Scope of Work to Contract*



*General timeline for goods/services acquired through Request for Proposal.

Vendor Notification (Formal Solicitations)

Posted to City of Austin website
https://www.austintexas.gov/financeonline/account_services/solicitation/solicitations.cfm

Email notification

- Vendor registered under applicable commodity codes
- Vendor requested by user department

Advertised in Austin American Statesman
(statutory requirement)

Current Solicitations

The screenshot shows the 'LIST OF CURRENT SOLICITATIONS' page on the Austin Finance Online website. The page features a search bar and a list of three solicitations, each with a 'View Details' button and a due date.

Solicitation ID	Title	Due Date
RFP 5500 SMW3002	Redevelopment of 1215 Red River and 606 East 12th Streets	02/20/2020
IFB 8300 BR51011	Breathing equipment for firefighters	02/11/2020
IFB 1100 MMH1002	Stack Flue Gas Testing Services	01/30/2020

Solicitation Packet

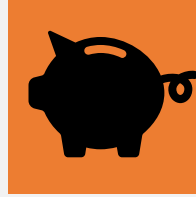
The screenshot shows the 'Attachments' section of the solicitation packet, listing various PDF files for download.

File Description	Type	Date	Action
Award Recommendation and Matrix	pdf	05/04/2018	Download
Addendum No. 6	pdf	03/13/2018	Download
Addendum No. 5	pdf	03/06/2018	Download
Addendum No. 4	pdf	03/01/2018	Download
Addendum No. 3	pdf	02/21/2018	Download
Addendum No. 2	pdf	02/20/2018	Download
Addendum 1	pdf	02/14/2018	Download
Solicitation Package	pdf	02/12/2018	Download
Exhibit A - Network Connection Agreement	pdf	02/12/2018	Download

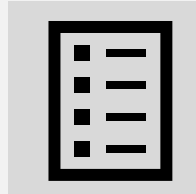
Evaluation

Based on contents of response

Evaluation described in solicitation documents



IFB – lowest responsive,
responsible



RFP – highest evaluated
responsive, responsible



RFQS – most qualified
responsive, responsible

Evaluation (IFB)



Single Award



Award by line item

Award by category

Evaluation (RFP, RFQS)

Evaluation Rules

Evaluators with expertise, no conflict of interest, power dynamics

Briefing on rules and NDAs signed

No discussion outside of meetings facilitated by procurement specialist

Meeting & Documentation

Notes of discussion recorded – includes strengths and weaknesses in each evaluation category with page numbers in proposal and reference to solicitation documents

Evaluation Tool

Formula – points allocated based on major, moderate, minor strengths and weaknesses in each evaluation category and points available

Local Preference

Address verified using GIS search tool



Austin Corporate City Limits
(not city limits)



Headquarters or branch
(5 year minimum requirement
for branch location)



Based on information provided
on Local Business Presence
Identification Form

Local Preference

IFB

Award to local business if within 3% of lowest bid

Up to 10 points

RFP

- Based on combination of prime and sub location
- Points calculated based on dollar amount of work performed by local business

Price Competition (RFP)

Lowest price receives
100% of points in price
category

Other respondents receive
points based on relative
distance from lowest price

Recommended Vendor Announced Online*

Attachments

PACKET DOWNLOAD FILES

File Description	Type	Date	
Award Recommendation and Matrix	pdf	05/04/2018	Download
Addendum No. 6	pdf	03/13/2018	Download
Addendum No. 5	pdf	03/06/2018	Download
Addendum No. 4	Solicitation Number: RFP 1100 TVN3007		
Addendum No. 3	Description: Cathodic System Maintenance & Testing		

Evaluation Matrix (RFP/RFQS)

		Chapman Engineering, Inc.	Corrosion Probe, Inc.	Corrpro Companies, Inc.	Dreiym Engineering PLLC	Piping and CorrosionSpecialties, Inc.
Evaluation Criteria	Max Points					
Total Evaluated Cost	37	37	32	25	15	36
Service-Disable Veteran Business Enterprise	3	0	0	0	0	0
Local Business Preference	10	0	0	0	0	0
System Concept and Solutions	25	25	25	0	25	12
Experience and Personnel Qualifications	25	17	17	0	25	21
Total	100	79	74	25	65	69

Receipt No.		1	2					
Vendor Name		Techline, Inc.	Power Supply					
Local Presence (Y/N)								
MBE/WBE								
*****THE QUANTITIES REQUESTED ARE ESTIMATED ANNUAL QUANTITIES*****								
ITEM NO.	AE Stock No.	ITEM DESCRIPTION	ESTIMATED ANNUAL QTY	UNIT	UNIT PRICE	EXT PRICE	UNIT PRICE	EXT PRICE
1	24255	THREE-PHASE ELECTRONIC RECLOSER WITH SEL 651R CONTROL TO BE USED AS STANDARD RECLOSE FOR USE IN ENERGY. RECLOSER SHALL BE IN ACCORDANCE WITH SPECIFICATION E-1821_15Dec18 REPLACES AE ITEM NUMBER 22757 ,23039 and 23575	10	EA	\$42,405.00	\$424,050.00	\$23,750.00	\$237,500.00
TOTAL EXTENDED PRICE - CATEGORY 1 =						\$424,050.00	\$237,500.00	

Bid Tabulation (IFB)

*Formal solicitations only

Opportunity to Protest

Before or after solicitation close
Protest must be submitted within allowable time period
Solicitation process is on hold

Opportunity to Debrief

After contract execution

**Contents of proposals and evaluation remain
confidential until contract execution**

Anti-Lobbying Ordinance

City Code Chapter 2-7, Article 6

- Why? Maintain fair, equitable, competitive process
- Applies to formal solicitations anticipated for City Council approval
- Authorized Contact is identified in solicitation documents
- Violation may result in disqualification, cancellation of solicitation, debarment



PROHIBITED ACTIVITIES INCLUDE...

Contact by City official or employee with respondent regarding response

Provide substantive info about respondent or response to City official or employee

Ask City official or employee to favor/oppose, recommend/not recommend, take action/refrain from taking action

No-Lobbying Report Online

The screenshot shows a web browser window with the URL https://www.austintexas.gov/financeonline/account_services/solicitation/nolobby.cfm. The page title is "No-Lobbying Report". Below the title is a search bar labeled "Search records".

The page is divided into two main sections:

- COA ANTI-LOBBYING ORDINANCE**: This section contains two links to PDF documents:
 - Anti-Lobbying and Procurement Ordinance (PDF)
 - Anti-Lobbying and Procurement Rules (PDF)
- OPEN SOLICITATIONS**: This section contains a table with the following data:

Solicitation Information	Department	Authorized Contact	Due Date
IFB 1100 DTB1011 Neutral Grounding Resistor	Austin Energy	Brown, Dejuan ✉ dejuan.brown@austintexas.gov ☎ (512) 972-0557	01/14/2020 at 02:00 PM
IFB 1100 JMF1005 Network Protector Rebuild Services	Austin Energy	Finn, Julia ✉ julia.finn@austintexas.gov ☎ (512) 322-6060	01/14/2020 at 02:00 PM
IFB 1100 MMH1001	Austin Energy	Nicholson, Terry	01/21/2020 at 02:00 PM

https://www.austintexas.gov/financeonline/account_services/solicitation/nolobby.cfm

Exemptions

Allowable exemption categories include:

- Sole Source
- Professional Service
- Protect Public Health and Safety of Residents

Exemptions can be competitive

- Formal Solicitation (Full Competition) – Request for Qualifications Statement
- Informal (Limited Competition) – short list

User department files a Certificate of Exemption. Purchasing Office reviews and affirms that the exemption falls under allowable category.

Critical Business Need to protect the competitive interests of Austin Energy

Critical Business Need declaration made by GM/DGM.

Cooperative Purchasing

Leverage volume buying
power of other
governmental entities

Use of cooperative
approved by City
Council

EXAMPLE: State of
Texas Department of
Information Resources
(DIR) for technology
purchases



City of Austin

Recommendation for Action

File #: 19-3497, Agenda Item #: 49.

Posting Language

Authorize negotiation and execution of a multi-term contract with Smart Charge and other qualified offerors to Request For Proposals 1100 EAL3005, to provide electrical maintenance and repairs, for up to five years for a total contract amount not to exceed \$1,000,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with 9C Minority Owned and Women Owned Business Enterprise Procurement goals (i.e., subcontracting opportunities for the services required for this solicitation, there were no subcontracting opportunities established).)

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Recommendation for Council Action (RCA)

Posting Language

- “Authorize award...” or “Authorize negotiation and execution...”
- Amend or ratify
- Vendor name, dollar amount, general purpose, # of contracts
- “Or other qualified offerors”
- Time period
- Subcontracting opportunities – reviewed by SMBR

Lead Department

- Purchasing Office

Client Department(s)

- User department
- Single department, multiple departments
- All City departments

Fiscal Note

Funding in the amount of \$110,000 is available in the Fiscal Year 2019-2020 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) 1100 JMF3001REBID for the solicitation issued on June 3, 2019 and it closed on June 20, 2019. Of the six offers received, the recommended contractor submitted the best evaluated, responsive offer. A complete solicitation including a log of offers received, is available for viewing on the City's Financial Services Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation>

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-322-6000 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, should contact the solicitation's Authorized Contact Person: Julia Finn, at 512-322-6000 or Julia.Finn@austintexas.gov <<mailto:Julia.Finn@austintexas.gov>>.

Recommendation for Council Action (RCA)

Fiscal Note

- Capital or Operating Budget

Purchasing Language

- Procurement method
- If formal solicitation, link to solicitation documents
- Exemption type (sole source, professional service, etc.)
- Amendment
- Cooperative
 - “Multiple vendors” or “multiple cooperative purchase programs” were reviewed.
- Critical Business Need

Prior Council Action

- For amendments: date, item number, vote count

For More Information

- Agenda Office facilitates communications
- If formal solicitation, name of Authorized Contact

Recommendation for Council Action (RCA)

Council Committee, Boards and Commission Action:

May 13, 2019 - Recommended by the Electric Utility Commission on May 13, 2019. Commissioners Hadden and Stone absent.

Additional Backup Information:

The contract is for NetApp products and services including product maintenance, and training for storage area networks as well as attached storage (FAS). The new storage area networks will be located at Energy's data centers. This faster and more reliable modern backup storage, minimize risk in data protection, and improve

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	3 yrs.	\$2,739,000
Optional Extension 1	1 yr.	\$ 913,000
Optional Extension 2	1 yr.	\$ 913,000
TOTAL	5 yrs.	\$4,565,000

Note: Contract Authorization amounts are based on the contract details provided.

Council Committee, Boards and Commission Action

- Date and summary of recommendation

Additional Backup Information

- Details of purchase – usually 2-3 paragraphs
- If cooperative purchase, name of the cooperative

Contract detail

- Estimated spend for multi-term contracts

M/WBE Summary

- Breakdown of subcontracting provided if subcontractors proposed/if subcontracting goals identified by SMBR

Questions?
