



## Recommendation for Action

**File #:** 20-2052, **Agenda Item #:** 15.

6/4/2020

### Posting Language

Authorize negotiation and execution of a multi-term contract with CLEAResult Consulting Inc., to provide support services for the energy efficiency retail instant savings program, for up to five years for a total contract amount not to exceed \$5,250,000.

(Note: This solicitation 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 for this solicitation, 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 \$350,000 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 EAL3006 for these services. The solicitation issued on September 23, 2019 and it closed on October 22, 2019. The recommended contractor submitted the only responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents <https://www.austintexas.gov/financeonline/account\\_services/solicitation/solicitation\\_details.cfm?sid=130776>](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=130776).

### For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov <mailto:AgendaOffice@austintexas.gov>](mailto:AgendaOffice@austintexas.gov)

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Liz Lock, at 512-322-6251 or [Liz.Lock@austintexas.gov <mailto:Liz.Lock@austintexas.gov>](mailto:Liz.Lock@austintexas.gov).

### Council Committee, Boards and Commission Action:

May 11, 2020 - Recommended by the Electric Utility Commission on an 8-0 vote, with Commissioner Wray absent and two vacancies.

### Additional Backup Information:

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The contract will provide services in support of Austin Energy’s Strategic Partnership of Utilities and Retailers Instant Savings program. The program was implemented in 2015 to raise awareness of energy efficient household products and incentivize Austin Energy customers to purchase energy efficient products. The program includes recruitment of retail partners, product research and qualification, customer education and field services, marketing, incentive management, program enhancement, annual megawatt savings, as well as environmental goals. This program reaches customers at the point of purchase, where incentives such as instant rebates can be most effective in persuading them to choose an energy efficient product over a less efficient alternative. Qualified product categories include LED lighting, appliances, and do-it-yourself items such as air filters and big gap foam fillers.

Using a contractor is a cost-effective approach to administering the program, as it reduces administrative costs and includes marketing, customer education, incentive management, built-in controls, and quality assessment measurements. The contract also allows Austin Energy to receive point-of-sale data from various systems used by participating retailers. Current retail participation in the program includes national and local retailers such as Home Depot, Lowe’s, Best Buy, Sears, Wal-Mart, Target, Dollar General, Dollar Tree and Ace Hardware.

This contract replaces an existing contract that expires on July 13, 2020. The recommended contractor is local and is the current provider for these services.

An evaluation team with expertise in this area evaluated the offers and scored CLEAResult Consulting Inc. on concept and solution, prior experience, personnel, price, local preference, and service-disabled business enterprise.

**Contract Detail:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Contract Authorization</u></b>
Initial Term	1 yr.	\$1,050,000
Optional Extension 1	1 yr.	\$1,050,000
Optional Extension 2	1 yr.	\$1,050,000
Optional Extension 3	1 yr.	\$1,050,000
Optional Extension 4	1 yr.	\$1,050,000
<b>TOTAL</b>	<b>5 yrs.</b>	<b>\$5,250,000</b>

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

**Strategic Outcome(s):**

Government that Works for All.