

Posting Language

Authorize issuance of rebates for multifamily and commercial customer energy efficiency measures by Austin Energy during Fiscal Year 2023-2024 in the aggregate amounts of \$2,900,000 for multifamily programs and \$3,600,000 for commercial programs, for a total combined budget amount of \$6,500,000.

Lead Department

Austin Energy

Fiscal Note

Funding in the amount of \$6,500,000 is available in the Fiscal Year 2023-2024 Austin Energy Operating Budget.

Prior Council Action:

April 20, 2023 - Council approved issuance of energy efficiency program rebates for multifamily energy efficiency rebates and commercial and small business energy efficiency rebates.

For More Information:

Amy Everhart, Local Government Issues Director (512) 322-6087; Joseph Teng, Energy Efficiency Services Manager, (512) 482-5439

Council Committee, Boards and Commission Action:

Sept 11, 2023 - To be reviewed by the Electric Utility Commission

Sept 19, 2023 - To be reviewed by the Resource Management Commission.

Additional Backup Information:

Austin Energy's energy efficiency rebate programs provide customer incentives to reduce energy demand and associated costs, benefiting all electric utility customers and the utility. Aggregate authority for the issuance of rebates has been requested and approved in FY2020, FY2021, FY2022, and FY2023. This authorization will allow Austin Energy to continue to issue rebates to multifamily, commercial, and small business customers during Fiscal Year 2023-2024 (FY2024) for energy efficiency improvements in accordance with program guidelines and up to a combined amount of \$6,500,000.

The aggregate rebate approval request reflects our continued commitment to be responsive and flexible to customer needs by reducing the wait time needed to be reimbursed for energy efficiency upgrades. Multifamily customers will receive an average of three upgrades per unit (e.g., smart thermostats, lighting, solar screens, HVAC tune-up, etc.), helping to reduce their energy costs during the continued economic uncertainty. The aggregate approval ensures program continuity by assuring that contractors and property managers/owners would receive rebate funding promptly after work has been completed.

As per current practice, Austin Energy staff will continue to provide a monthly report that summarizes the Commercial, Small Business, and Multifamily program pipeline (including leads, active, and paid projects). For all projects that will exceed the FY2024 City Manager's spending authority in rebate payments, the report will also include measures installed, expected savings, and other relevant data. The annual customer rebate cap will remain at \$300,000 pursuant to Resolution 20140807-006.

Posting Language

Approve issuance of a five-year performance-based incentive (PBI) to Applied Materials, for the installation of solar electric systems on their facility, located at 9700 E US 290 Hwy, Austin, TX 78724, in an amount not to exceed \$2,310,800.

Lead Department

Austin Energy

Fiscal Note

Funding in the amount of \$408,397 is available in the Fiscal Year 2023-2024 Austin Energy Operating Budget. Funding for the remaining years of the agreement is contingent upon available funds in future budgets.

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

Amy Everhart, Local Government Issues Director (512) 322-6087; Tim Harvey, Customer Renewable Solutions Manager (512) 482-5386

Council Committee, Boards and Commission Action:

September 11, 2023 – To be reviewed by the Electric Utility Commission.

September 19, 2023 – To be reviewed by the Resource Management Commission.

Additional Backup Information:

Austin Energy requests approval to issue this PBI to the Customer for the installation of solar electric system(s), detailed in the table below at their facility to produce renewable energy for on-site consumption. The table below provides a summary of the system size, cost, proposed incentive, and environmental benefits.:

Solar System Details*	
Total System Size (kW-DC)	5,452.90
Total System Size (kW-AC)	4,525.92
Annual Estimated Production (kWh)	8,037,674
Total System Cost	\$9,615,800
Total 5-Year Incentive (not-to-exceed)	\$2,310,800
Percent of Cost Covered	24%
Environmental Benefits** and Emission Reduction Equivalencies***	
Reduction of Carbon Dioxide (CO2) in tons	3,782
Reduction of Sulfur Dioxide (SO2) in pounds	5,626
Reduction of Nitrogen Oxide (NOX) in pounds	5,626
Equivalency of Vehicle Miles Driven	8,795,466
Equivalency of cars on Austin roadways	764
Equivalency of Trees Planted	56,732
Equivalency of Forest Acreage Added	4,092

*All solar equipment meets Austin Energy program requirements

** Environmental Benefits based on the [US Energy Information Association's state-wide electricity profile](#)

*** According to the [Environmental Protection Agency \(EPA\)'s Greenhouse Gas Equivalency Calculator](#)

Applied Materials, Inc. is an American corporation that supplies equipment, services, and software for the manufacture of semiconductor chips for electronics, flat panel displays for computers, smartphones, televisions, and solar products. This solar system is estimated to offset 41% of the building's annual energy load.

According to the updated Austin Energy Resource, Generation and Climate Protection Plan, approved by Austin City Council in March 2020, "Austin Energy will achieve a total of 375 MW of local solar capacity by the end of 2030, of which 200 MW will be customer-sited (when including both in-front-of-meter and behind-the meter installations)." To meet these goals, Austin Energy has funded the Solar Photovoltaic (PV) Programs, which are designed to reduce the amount of electricity Austin Energy must purchase from the market and reduce associated greenhouse gas emissions.

The purpose of the Austin Energy Solar PV PBI Program is to expand adoption of customer-sited solar by commercial customers. The PBI solar program offers commercial customers payments based on the metered solar production of their approved PV system for the first 5 years of operation. Payments are made as a monthly billing adjustment to the customers' electric account.

Due to the performance-based aspect of the incentive, if the customer fails to generate solar electricity, the rebate will not be fully paid. Per program guidelines, the installation is expected to continue producing for a minimum of 20 years, 15 years beyond the incentive.

This project will advance the stated goals of expanding locally sited solar and resiliency while reducing carbon emissions, and will continue to demonstrate the value and importance of renewables as part of the individual and collective generation portfolio in Austin Energy territory.

Posting Language

Authorize negotiation and execution of a contract for incident management software licenses and maintenance support with Cority Software, Inc., for up to five years for a total contract amount not to exceed \$2,350,000.

[Note: Sole source contracts are exempt from the City Code Chapter 2-9C (Minority Owned and Women Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established].

Lead Department

Financial Services Department.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$383,430 is available in the Fiscal Year 2023-2024 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Sole Source.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department – Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Council Committee, Boards and Commission Action:

September 11, 2023 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide software licensing and maintenance support for Austin Energy's existing incident management platform.

The environmental health and safety platform manages compliance workflows related to environmental, health, safety, and quality requirements. The solution helps identify, manage, and track safety and environmental incidents from initial notification through closure, manage environmental regulatory tasks, document and perform inspections, and identify and control risks and hazards. It also provides integrated and configurable workflows that enable employees to access, review, and provide feedback on relevant work documentation (e.g. policies, processes, procedures, data sheets, hazard analyses, etc.). All of these functions can be performed via an online/offline mobile application while in the field.

The solution currently used by Austin Energy is a proprietary product of Cority Software, Inc., who is the sole provider of licenses, and maintenance support for the existing platform.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$ 425,000
Optional Extension 1	1 yr.	\$ 445,000
Optional Extension 2	1 yr.	\$ 465,000

Optional Extension 3	1 yr.	\$ 500,000
Optional Extension 4	1 yr.	\$ 515,000
TOTAL	5 yrs.	\$2,350,000

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

Posting Language

Authorize negotiation and execution of three contracts for power plant maintenance services with ProServ Industrial Contractors, LLC, Taurus Industrial Group, LLC, and Thielsch Engineering, Inc., each for up to five years for total contract amounts not to exceed \$27,000,000, divided among the contractors.

[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) and subcontractor goals were applied to the procurement. Subcontracting goals were met by all recommended contractors].

Lead Department

Financial Services Department.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$5,400,000 is available in the Fiscal Year 2023-2024 Operating 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.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Council Committee, Boards and Commission Action:

September 11, 2023 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

These contracts will provide specialized maintenance and repair services for Sand Hill Energy Center, Decker Creek Power Station, and District Energy Cooling plants. The contractors will furnish labor, supervision, equipment, tools, parts, supplies, subcontractors, and other services necessary to support Austin Energy power and district cooling sites. The services provided by these contracts will allow Austin Energy to maintain reliable operations critical for grid stabilization.

Austin Energy designated this procurement a Critical Business Need due to the critical nature of the work needed at the plants to ensure timely response and multiple providers. Staff vetted a short list of contractors for their expertise in this specialized field to determine the best value to the City.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$10,800,000
Optional Extension 1	2 yrs.	\$10,800,000
Optional Extension 2	1 yr.	\$ 5,400,000
TOTAL	5 yrs.	\$27,000,000

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

Posting Language

Authorize execution of six contracts for electrical supplies with KBS Electrical Distributors Inc., Techline Inc., Wesco Distribution, Inc. d/b/a Hi-Line Utility Supply Co., LLC, Power Supply Inc., Priester-Mell & Nicholson Inc., Consolidated Electrical Distributors Inc. d/b/a CED – Austin, and Apfelbaum Industrial Inc., each for up to five years for total contract amounts not to exceed \$9,000,000, divided among the contractors.

[Note: 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 required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established].

Lead Department

Financial Services Department.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$1,800,000 is available in the Fiscal Year 2023-2024 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued an Invitation for Bids (IFB) 1100 EAL1011REBID for these goods. The solicitation was issued on February 13, 2023, and closed on March 21, 2023. Of the 10 offers received, the recommended contractors submitted the lowest responsive offers. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](#).

For More Information:

Direct Inquiries regarding this Recommendation for Council Action to the Financial Services Department-Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Council Committee, Boards and Commission Action:

September 11, 2023 – To be reviewed by the Electric Utilities Commission .

Additional Backup Information:

These contracts will provide various electrical maintenance supplies and tools for Austin Energy. The contracts will replenish stock at Austin Energy warehouses for issuance to field crews and use for maintenance and construction on an as-needed basis.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$1,800,000
Optional Extension 1	1 yr.	\$1,800,000
Optional Extension 2	1 yr.	\$1,800,000

Optional Extension 3	1 yr.	\$1,800,000
Optional Extension 4	1 yr.	\$1,800,000
TOTAL	5 yrs.	\$9,000,000

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

Posting Language

Authorize negotiation and execution of a contract for valve repair, replacement, and testing services with Southeast Valve, Inc., for up to five years for a total contract amount not to exceed \$4,000,000.

[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 goods and services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established].

Lead Department

Financial Services Department.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$800,000 is available in the Fiscal Year 2023-2024 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued a Request for Proposals (RFP) 1100 JMF3021 for these goods and services. The solicitation was issued on April 17, 2023, and closed on May 18, 2023. The recommended contractor submitted the only responsive offer. A complete solicitation package, including a log of offer received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](#).

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department-Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Council Committee, Boards and Commission Action:

September 11, 2023 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract provides Austin Energy with labor, materials, and expertise for the repair of valves to facilitate emergency and maintenance activities at Austin Energy power plants. Valve repair is used on an as needed basis to repair all types of valves in power plants. Many of the valves are very costly and require specialized equipment and training to maintain and repair.

An evaluation team with expertise in this area evaluated the offers and scored Southeast Valve, Inc. as the best to provide these services based on price, service-disabled veteran business enterprise, local preference, project concept and strategy, and experience.

Posting Language

Authorize execution of six contracts for electrical materials with Wesco Distribution, Inc. d/b/a Hi-Line Utility Supply Co., LLC, Power Supply Inc., Priester-Mell & Nicholson Inc., JMR Technology Inc., Graybar Electric Company, Inc., KBS Electrical Distributors Inc., and Techline Inc., each for up to five years for total contract amounts not to exceed \$8,500,000, divided among the contractors.

[Note: 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 required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established].

Lead Department

Financial Services Department.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$1,700,000 is available in the Fiscal Year 2023-2024 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued an Invitation for Bids (IFB) 1100 EAL1012 for these goods. The solicitation was issued on March 6, 2023, and closed on April 4, 2023. Of the seven offers received, the recommended contractors submitted the lowest responsive offers. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](#).

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department-Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Council Committee, Boards and Commission Action:

September 11, 2023 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

These contracts will provide underground electrical materials for Austin Energy. The materials will replenish stock at Austin Energy's warehouses for issuance to field crews as required. These contracts will ensure that materials are available for timely repairs, maintenance, and new projects.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$3,400,000
Optional Extension 1	1 yr.	\$1,700,000
Optional Extension 2	1 yr.	\$1,700,000
Optional Extension 3	1 yr.	\$1,700,000

TOTAL	5 yrs.	\$8,500,000
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Note: Contract Authorization amounts are based on the City's estimated annual usage.