

Friday, February 27, 2009

Local firms vie for piece of \$787 billion package

Austin Business Journal - by [Kate Harrington](#) ABJ Staff

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Joe Garcia of Fox Service Co. maintains an air conditioner. The company hopes to do more of the same soon thanks to consumer rebates in the stimulus package.

For Fox Service Co., the energy-related tax credits that will be available to homeowners thanks to the newly signed American Recovery and Reinvestment Act of 2009 could mean a boost in business.

And if Fox managers play their cards right, the company will get a further bump in revenue by tapping into the billions of dollars set aside in the stimulus package to revamp everything from air conditioners to plumbing in government buildings.

It's one example of how executives across town in a variety of industries are positioning themselves to benefit from the stimulus. However, at this point, because the bill is so massive and the ink is barely dry, many are still trying to figure out how they can get a piece of — or at least benefit from — the \$787 billion package.

The energy tax credits now available to consumers are bigger than they ever have been and should prompt many to make their homes more efficient and friendly to the environment, said George Stuckey, director of marketing and sales for Austin-based Fox Service.

Fox — which works with residential and commercial customers as an air conditioning, heating, plumbing and electrical service provider — will soon aggressively market its services and stand ready to educate homeowners about the credits available, Stuckey said.

"This gives homeowners a chance to upgrade more than they could," he said. "We're well-poised for that. That's a core part of our business."

While Stuckey said he hopes the increased tax credits will put people in the market for Fox's services who wouldn't have been otherwise, he said it's hard to predict whether the credits will result directly in greater revenue.

"It's so tough, we don't know what 2009 will look like," Stuckey said. "We're sitting on pins and needles to see what the economy at large will do."

Stuckey said Fox will also shift some of its focus toward bidding on some government projects. Federal stimulus money is on the way to each state for energy efficiency improvements on government buildings,

although Stuckey said it's not yet clear what projects in Austin may receive funding. But Fox already works on retrofit projects for state and city buildings, and it expects to see more of those jobs in Austin.

Taking credits

As part of the stimulus bill, energy efficiency tax credits available to homeowners have been raised from 10 percent to 30 percent, and the maximum credit has been raised from \$500 to \$1,500 for 2009 and 2010. Those credits are immediately available. Federal tax credits for energy efficiency include windows and doors; insulation; heating, ventilation and air conditioning; geothermal heat pumps; water heaters; and biomass stoves, according to the government's Energy Star Web site.

Money for broader infrastructure changes will also become available, although how the stimulus funding will be distributed once it gets to each state remains unclear, said Paul Bury, CEO and founder of Bury + Partners Inc.

Projects that could receive funding range from road projects under the Texas Department of Transportation's jurisdiction to water district infrastructure improvements and school district improvements.

According to information submitted in the 2008 U.S. Conference of Mayors report, the city of Austin's list includes requests for funding for culvert and drain improvements, public transportation upgrades and expansions and improvements to public areas.

Funding flow still fuzzy

Austin engineering firm Bury + Partners — whose projects include the Mueller redevelopment, The Domain, Block 21 and the Seaholm redevelopment — will not go after federal money directly, but it is working with various organizations to help them obtain funding, Bury said.

"We have a pretty large client base all interested in using some of these dollars to get things done," he said. "One of the things we're trying to determine is once the dollars hit the state of Texas, who gets the dollars. That's still fuzzy."

Bury said the company hasn't hit roadblocks yet in trying to participate in work the funding will create, but he said he is concerned about who will have control over the federal money once it reaches the state.

"What we've seen is that there will be a pretty good trickle effect so that local and regional firms like us could get some benefit," he said.

Bury + Partners is already working with some local water districts to help them obtain funding for projects that could include more well drilling to better supply the area's growing population, Bury said.

Courtesy of JB Goodwin