

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	46761	Agenda Number	58.
Meeting Date:	June 18, 2015			
Department:	Purchasing			
Subject				
<p>Authorize award and execution of Amendment No. 9 to the contract with MASTEC NORTH AMERICA, INC. for underground transmission and distribution construction and maintenance services to increase the contract authorization for the current contract period in an amount not to exceed \$5,000,000, for a revised total contract amount not to exceed \$41,488,840.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$500,000 is available in the Fiscal Year 2014-2015 Operating Budget of Austin Energy and funding in the amount of \$4,500,000 is available in the Fiscal Year 2014-2015 Capital Budget of Austin Energy.</p>				
Fiscal Note				
<p>A fiscal note is attached.</p>				
Purchasing Language:	Contract Amendment to increase contract authorization.			
Prior Council Action:	December 10, 2009 – Approved original contract, item 35. October 2, 2014 – Approved Amendment 8, item 27.			
For More Information:	Gage Loots, Corporate Purchasing Manager, 512-322-6251			
Boards and Commission Action:	June 15, 2015 – To be reviewed by the Electric Utility Commission.			
Related Items:				
MBE / WBE:	This contract was awarded in compliance with City Code Chapter 2-9C of the Minority Owned and Women Owned Business Enterprise Procurement Program with 9.26% MBE and 19.79% WBE participation.			

Additional Backup Information

This contract was competitively awarded in January 2010 and is for underground transmission and distribution construction and maintenance services for Austin Energy. These services include a combination of capital improvements, operations and maintenance activities. The contract provides Austin Energy with ready access to contract labor and equipment for the performance of routine and emergency transmission and distribution civil work for which Austin Energy has no in-house resources. The services are primarily for the installation and maintenance of the underground electrical system and may involve trench excavation, drilled pier installations, placement of conduit, cable, manholes, roadway repair, street light repair and installations and right-of-way installations and maintenance.

Continued city growth has contributed to the need to expand infrastructure and resources in order to fulfill electric utility reliability requirements, customer requests, the expansion of Austin Energy services, and to support facility growth. Therefore, additional funding is necessary to install and maintain underground vaults, conduit, duct banks, transformer pads and other distribution/substation facilities, and update and improve existing facilities.

A competitive solicitation to obtain a new contract is currently in progress. This proposed amendment will increase the spending authority for the remainder of the contract term which is necessary to ensure Austin Energy can maintain electric reliability in its service area and support customer-driven construction projects for electrical services. Approval of this amendment is requested in June to ensure sufficient spending authority until the new contract is in place.

Contract Summary

Action	Description	Amount
Original Contract awarded December 10, 2009	Original 24-month contract	\$12,595,536
Amendment No. 1 January 18, 2012	Exercise Extension Option 1	\$6,297,768
Amendment No. 2 March 6, 2012	Economic Price Adjustment	\$0
Amendment No. 3 December 1, 2012	Early Rollover of Option 2	\$6,297,768
Amendment No. 4 January 22, 2013	Addition of Arc Flash Protection	\$0
Amendment No. 5 December 1, 2013	Exercise Extension Option 3 and Economic Price Adjustment	\$6,297,768
Amendment No. 6 February 21, 2014	Add Invoicing and Payment Language	\$0
Amendment No. 7 June 23, 2014	Add Receiving Process Language	\$0
Amendment No. 8 October 2, 2014	Increase of Authorization	\$5,000,000
Proposed Amendment No. 9	Increase of Authorization	\$5,000,000
Revised Total Contract Amount		\$41,488,840