



## Recommendation for Action

**File #:** 20-1854, **Agenda Item #:** 18.

5/7/2020

### **Posting Language**

Authorize an amendment to an existing contract with Pike Enterprises Inc., to provide continued transmission and distribution electrical services, for an increase in the amount of \$14,000,000, for a revised total contract amount not to exceed \$89,000,000.

(Note: This amendment will be awarded in compliance with City Code Chapter 2-9A Minority Owned and Women Owned Business Enterprise Procurement Program. Current participation to date is 1.72% MBE and 0.11% WBE participation).

### **Lead Department**

Purchasing Office.

### **Client Department(s)**

Austin Energy.

### **Fiscal Note**

Funding in the amount of \$4,666,667 is available in the Fiscal Year 2019-2020 Capital Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Purchasing Language:**

Contract Amendment.

### **Prior Council Action:**

December 17, 2015 - Council approved the original contract, item 72, on a 9-0 vote, with Council Members Troxclair and Zimmerman abstaining.

### **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>> or to Julia Finn, at 512-322-6060 or [Julia.Finn@austintexas.gov](mailto:Julia.Finn@austintexas.gov) <<mailto:Julia.Finn@austintexas.gov>>.

### **Additional Backup Information:**

The proposed amendment will provide Austin Energy additional funding to complete planned and emergency transmission and distribution projects.

The contract is for transmission and distribution electrical construction and maintenance services for Austin Energy. The contractor provides Austin Energy with ready access to contract labor and equipment for projects such as service extensions, removal and replacement of utility poles, residential distribution underground cable upgrades, storm-related outage restoration and distribution line relocations.

The original funding request was based on Austin Energy's five year forecast of transmission and distribution

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projects. Projects have been scheduled for the final term of the contract and the overall number exceeds the initial forecast due to greater than expected construction in the Austin Energy service area. The unanticipated need for additional services was also caused by new permitting requirements and Electric Reliability Council of Texas changes introduced during the contract period.

**Contract Detail:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Current Contract Authorization</u></b>	<b><u>Requested Additional Authorization</u></b>	<b><u>Revised Total Authorization</u></b>
Initial Term	2 yrs.	\$30,000,000		\$30,000,000
Optional Extension 1	1 yr.	\$15,000,000		\$15,000,000
Optional Extension 2	1 yr.	\$15,000,000		\$15,000,000
Optional Extension 3	1 yr.	\$15,000,000		\$15,000,000
Proposed Amendment			\$14,000,000	\$14,000,000
<b>TOTALS</b>	<b>5 yrs.</b>	<b>\$75,000,000</b>	<b>\$14,000,000</b>	<b>\$89,000,000</b>

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

**Strategic Outcome(s):**

Safety.