



Recommendation for Action

File #: 20-3350, **Agenda Item #:** 7.

11/12/2020

Posting Language

Authorize award and execution of a construction contract with T. Morales Company Electric & Controls Ltd. (WBE) for the Domain DCP Switchgear Replacement project in the amount of \$3,659,000, plus a \$548,850 contingency, for a total contract amount not to exceed \$4,207,850.

[Note: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 94.32% MBE and 3.39% WBE participation.]

Lead Department

Capital Contracting Office

Managing Department

Austin Energy

Fiscal Note

Funding is available in the Fiscal Year 2020-2021 Capital Budget of Austin Energy.

Purchasing Language:

Lowest responsive bid of three received through a competitive Invitation for Bid solicitation.

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>>.

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749, Garrett Cox, 512-974-9423, or the Project Manager, James Matlock Jr., 512-775-3924.

Council Committee, Boards and Commission Action:

October 12, 2020 - Recommended unanimously by the Electric Utility Commission on a 7-0 vote, with Commissioner Hadden off the dais and Commissioners Funkhouser, Stone and Wray absent.

Additional Backup Information:

The Domain District Cooling Plant (Domain DCP) has the capacity to provide 10,000 tons of district cooling to buildings in the Domain business district. The ability to continue providing this service depends on replacing the existing 40+ year-old electrical switchgear that is past its expected lifecycle.

The switchgear at the Domain DCP controls, regulates, protects and isolates electrical equipment. Austin Energy (AE) staff also uses it to de-energize equipment to allow work on it and to clear faults downstream. Replacing the aged equipment with new, more reliable switchgear ensures the Domain DCP can continue providing district cooling to buildings in the Domain business district.

The current equipment is long past its useful life. If the equipment fails, it cannot be repaired due to parts being obsolete. AE would have to rent emergency switchgear while it purchased and installed new switchgear.

There will be no impact to the public on this project. All work will be on City property within the Domain DCP.

If council does not approve this item, the existing 40 plus year-old switchgear at the Domain DCP will fail. AE will have to purchase switchgear at a premium price and rent electrical switchgear equipment until the new switchgear is delivered and installed. That course of events could cost the City significantly more to replace the equipment. Additionally, the Domain DCP would have several days during which it could not have power to provide chilled water to customers.

Due to the potential for the need for additional electrical wiring/cable of medium voltage, AE has included a 15% contingency in funding to allow for expeditious processing of change orders. A contingency is an additional amount of money added to the construction budget to cover any unforeseen costs associated with the project. By authorizing the contingency funding, Council is authorizing any change orders within the contingency amount.

The contract allows 243 calendar days to complete this project. This project is located within zip code 78758 (District 7).

T. Morales Company Electric & Controls, Ltd. (MBE/FH) is located in Florence, Texas.

Strategic Outcome(s):

Safety; Government that Works for All; Health and Environment