



## Recommendation for Action

**File #:** 23-1928, **Agenda Item #:** 31.

6/1/2023

### **Posting Language**

Authorize negotiation and execution of three contracts for overhead distribution electrical services with Linetec Services, LLC, Pike Enterprises Inc. d/b/a Pike Electric LLC, and Renegade Group, LLC, each for up to three years for a total contract amount not to exceed \$36,000,000, divided among the contractors.

[Note: These 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 is available in the Capital Budget of Austin Energy.

### **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](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500.

### **Council Committee, Boards and Commission Action:**

May 8, 2023 - Recommended by the Electric Utility Commission on a 7-0 vote with three absences and one vacancy.

### **Additional Backup Information:**

These contracts are for overhead distribution electrical services for Austin Energy. They provide ready access to contract labor and equipment for service extensions, the removal and replacement of utility poles, and distribution line relocations. These contracts will also support emergency response efforts to mitigate delays in reliability restoration.

These three contracts will augment the two existing contractors currently under contract for these services who are experiencing labor shortages recruiting qualified line workers.

Austin Energy designated this procurement as a Critical Business Need due to the shortage of labor currently available to complete the required work. Staff vetted a short list of contractors for their expertise in this specialized field to determine the best value to the City.

**Contract Detail:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Contract Authorization</u></b>
Initial Term	1 yr.	\$12,000,000
Optional Extension 1	1 yr.	\$12,000,000
Optional Extension 2	1 yr.	\$12,000,000
<b>TOTAL</b>	<b>3 yrs.</b>	<b>\$36,000,000</b>

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