

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council - Commissioners Court Meeting		Item ID:	36687	Agenda Number	27.
Meeting Date:		October 2, 2014			
Department:		Purchasing			
Subject					
Authorize negotiation and execution of Amendment No. 8 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 \$36,488,840.					
Amount and Source of Funding					
Funding in the amount of \$2,500,000 is available in the Fiscal Year 2014-2015 Operating Budget of Austin Energy and funding in the amount of \$2,500,000 is available in the Fiscal Year 2014-2015 Capital Budget of Austin Energy.					
Fiscal Note					
A fiscal note is attached.					
Purchasing Language:	Contract Amendment.				
Prior Council Action:					
For More Information:	Gage Loots, Supervising Senior Buyer, 512-322-6251				
Boards and Commission Action:	September 15, 2014 - Approved by the Electric Utility Commission on a vote of 7-0.				
Related Items:					
MBE / WBE:	This contract was awarded in compliance with City Code Chapter 2-9C (Minority Owned and Women Owned Business Enterprise Procurement Program) with 8.81% MBE and 25.74% WBE subcontractor participation.				
Additional Backup Information					

The original contract, competitively awarded in January 2010, is for underground transmission and distribution construction and maintenance services for Austin Energy, including capital improvements and operating and maintenance activities. The agreement 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 underground electrical infrastructure and may involve trench excavation, drilled pier installations, placement of conduit, cable, and manholes, roadway repair, street light repair and installations, and right-of-way installations and maintenance.

In light of the additional electric infrastructure work required to meet a growing city, additional funding is necessary to install or maintain underground vaults, conduit, duct banks, transformer pads and other distribution and substation facilities, and to update or improve existing facilities to meet new and expanding demand for electrical services.

This proposed contract amendment will increase the spending authority for the remainder of the contract term. The additional authority is necessary to ensure electric reliability in the service area and support customer-driven construction projects for electrical services. A competitive solicitation to obtain a new contract is currently in progress.

Contract Summary

Action	Description	Amount
Original Contract awarded	Original 24-month contract, 1/18/2010 – 1/17/2012	\$12,595,536
Amendment No. 1	Exercise Extension Option 1, 01/18/2012 – 1/18/2013	\$6,297,768
Amendment No. 2	Economic Price Adjustment	\$0
Amendment No. 3	Early Rollover of Option 2, 12/01/2012 – 11/30/2013	\$6,297,768
Amendment No. 4	Addition of Arc Flash Protection, 1/22/2013	\$0
Amendment No. 5	Exercise Extension Option 3 and Economic Price Adjustment, 12/01/2013 – 11/31/2014	\$6,297,768
Amendment No. 6	Add Invoicing and Payment Language, 2/21/2014	\$0
Amendment No. 7	Add Receiving Process Language, 6/23/2014	\$0
Proposed Amendment No. 8	Increase of Authorization	\$5,000,000
Total Revised Contract Amount		\$36,488,840