

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	45482	Agenda Number	35.
Meeting Date:	June 4, 2015			
Department:	Purchasing			
Subject				
Authorize award and execution of Amendment No. 5 to the contract with PIKE ELECTRIC, LLC., for transmission and distribution construction and maintenance services, increasing 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 \$39,000,000.				
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. Competitive solicitation to obtain a new contract currently underway.			
Prior Council Action:	December 9, 2010 - Approved original contract, item 36.			
For More Information:	Leslie Giannattasio, Senior Buyer, 512-322-6583			
Boards and Commission Action:	May 18, 2015 – Recommended by the Electric Utility Commission on a 6-0 vote with Commissioner Herbert absent.			
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 through the achievement of good faith efforts with 4.85% MBE and 1.33% WBE participation..			
Additional Backup Information				

This contract is for transmission and distribution construction and maintenance services for Austin Energy. These services include customer service extensions, the removal and replacement of utility poles, storm-related outage restoration and distribution line relocations. The contract provides Austin Energy with ready access to contract labor and equipment for the performance of routine and emergency electrical transmission and distribution expansion and maintenance. Services to be provided include

Additional funding is needed due to continued development and growth in Austin Energy's service territory, including new multi-use developments, apartment complexes, new subdivision phases, commercial developments and the widening of county roads and state highways. There have also been more requests for new telecommunications attachments to the utility's infrastructure.

Austin Energy has responded to this growth by implementing necessary system modification projects to directly serve load growth; support more telecommunications attachments; and ensure the overall reliability of its electrical transmission, distribution, and substation systems.

The extent of impact of these factors was not known or anticipated when the contract was renewed last year. The additional authority is necessary to ensure Austin Energy's ability to maintain electric reliability in its service area and support the electrical service needs of customer-driven construction projects. A competitive solicitation to obtain a new contract is currently in progress. Approval of this amendment is requested in June to ensure sufficient spending authority for the remainder of this contract.

#### **Contract Summary**

Action	Description	Amount
Original Contract executed December 21, 2010	Original 24-month contract	\$10,000,000
Amendment No. 1 January 10, 2013	Exercise extension option 1	\$8,000,000
Amendment No. 2 May 21, 2013	Vendor name change, economic price adjustment and clarification of safety requirements	\$0
Amendment No. 3 January 10, 2014	Exercise extension option 2 and economic price adjustment	\$8,000,000
Amendment No. 4 November 19, 2014	Exercise extension option 3 and economic price adjustment	\$8,000,000
Proposed Amendment No. 5	Increase of contract authorization	\$5,000,000
Total Revised Contract Amount		\$39,000,000