

A G E N D A



Recommendation for Committee Action

Austin Energy Utility Oversight Committee	Item ID	51666	Agenda Number	3.
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Meeting Date:	10/22/2015	Department:	Austin Energy
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Subject

Recommendation to authorize negotiation and execution of a 24-month contract with MASTEC NORTH AMERICA INC., or another qualified offeror to Request for Proposals GAL0022, for underground transmission and distribution electrical construction services for Austin Energy in an amount not to exceed \$20,000,000 with four 12-month extension options in an amount not to exceed \$10,000,000 per extension option, for a total contract amount not to exceed \$60,000,000.

Amount and Source of Funding

Funding in the amount of \$8,333,333 is available in the Fiscal Year 2015-2016 Capital Budget of Austin Energy. Funding for the remaining 16 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Best evaluated proposal.
Prior Council Action:	
For More Information:	Gage Loots, Corporate Purchasing Manager, 512-322-6251
Boards and Commission Action:	October 19, 2015 - To be reviewed by the Electric Utility Commission.
MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9A of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program) by meeting the goals of 1.89% African American, 5.90% Hispanic, 0.14% Asian/Native American and 2.09% WBE subcontractor participation.
Related Items:	

Additional Backup Information

The contract is for underground transmission and distribution construction and maintenance services for Austin Energy. These services include combinations of capital maintenance improvement, operating and maintenance activities. The contract 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 the underground electrical system and may involve trench excavation, drilled pier installations, placement of conduit, cable, manholes, roadway repair, street light repair and installations and right of way installations and maintenance.

Continued City growth has contributed to the need to expand infrastructure and resources in order to fulfill electric utility reliability requirements, customer requests, expansions of Austin Energy service and to support facility growth. This contract is critical to meeting these needs by installing and maintaining underground vaults, conduit, duct banks, transformer pads and other distribution/substation facilities, and updating and improving existing facilities.

An Austin Energy evaluation team with expertise in this area evaluated the proposals and rated this proposal as the best to provide these services. Evaluation criteria used to evaluate the proposals include solution and program to accomplish the work, demonstrated applicable experience and personnel qualifications, price, and local business presence.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

The current contract expires on January 27, 2016. Approval is requested in order to ensure an efficient transition to the new contract with no lapse in services.

MBE/WBE solicited: 187/74

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. 2980 notices were sent, including 187 MBEs and 74 WBEs. Three proposals were received, with no response from the MBEs/WBEs.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal.
- b. The Purchasing Office recommends contract award consistent with the evaluation committee.
- c. Advertised on the Internet.