Purchasing Service Agreement CITY OF AUSTIN RECOMMENDATION FOR COUNCIL ACTION



AGENDA ITEM NO.: 53 AGENDA DATE: Thu 12/16/2004 PAGE: 1 of 3

SUBJECT: Authorize execution of a 12-month service agreement with MASTEC NORTH AMERICA, INC., Austin, TX, for underground transmission/distribution construction and maintenance service in an amount not to exceed \$5,609,522.63, with four 12-month extension options in an amount not to exceed \$5,609,522.63 per extension option, for a total agreement amount not to exceed \$28,047,613.15.

<u>AMOUNT & SOURCE OF FUNDING:</u> Funding in the amount of \$420,392 is available in the Fiscal Year 2004-2005 Approved Operating Budget of Austin Energy. Funding in the amount of \$5,049,000 is available in the Fiscal Year 2004-2005 Approved Capital Budget of Austin Energy. Funding for the remaining three months of the original contract period and extension options is contingent upon available funding in future budgets.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Purchasing **DEPARTMENT:** for Austin Energy;

DIRECTOR'S AUTHORIZATION: Vickie Schubert

FOR MORE INFORMATION CONTACT: Dolores Castillo, Senior Buyer/322-6466

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

<u>PURCHASING</u>: Low bid of two bids received.

MBE / WBE: 11.89% MBE and 6.67% WBE Subcontracting Participation.

This contract will establish a 12 month service agreement for the construction and maintenance of underground transmission and distribution facilities. These services will include combinations of Capital Improvement, operating, and maintenance activities. The agreement will provide Austin Energy with ready access to contract labor and equipment for the performance of routine and emergency underground transmission and distribution civil work for which Austin Energy has no in-house resources. Services to be provided will primarily consist of civil construction and maintenance of the underground electrical distribution and transmission system, which may involve trench excavation, drilled pier installation, placement of conduit, cable, manholes, steel reinforced slab foundations and structures, roadway installations and repair, construction of civil and structural steel installations associated with transmission/distribution substations, street light installations and maintenance right-of-way construction and maintenance.

MBE/WBE Solicited: 11/0

MBE/WBE Bid:



Purchasing Service Agreement CITY OF AUSTIN RECOMMENDATION FOR COUNCIL ACTION

AGENDA ITEM NO.: 53 AGENDA DATE: Thu 12/16/2004 **PAGE:** 2 of 3

BID TABULATION

IFB No. DC04100045

VENDOR

TOTAL BID

\$5,609,522.63

MasTec North America, Inc. Austin, Texas

Austin Traffic Signal Construction\$8,957,589.59Round Rock, Texas\$8,957,589.59

SUBCONTRACTOR PARTICIPATION BREAKDOWN

Prime Participation (Non-MBE/WBE)	<u>\$4,418,847.63</u>	<u>78.78%</u>
MBE Subcontractor Participation	<u>\$667,000.00</u>	<u>11.89%</u>
<u>African-American</u>	<u>\$56,000.00</u>	<u>1.0%</u>
BMW Trucking (Hauling), Austin, TX	\$10,000.00	0.18%
Safe Zone, Inc. (Traffic Control), Austin, TX	46,000.00	0.82%
<u>Hispanic</u>	<u>\$474,000.00</u>	<u>8.45%</u>
Personnel Store (Laborers), Austin, TX	\$474,000.00	8.45%
<u>Asian-American</u>	<u>\$137,000.00</u>	<u>2.44%</u>
Ben Quest (Fuel, Oil), Austin, TX	\$137,000.00	2.44%
Native-American	<u>\$0.00</u>	<u>0%</u>
WBE Subcontractor Participation	\$374,300.00	<u>6.67%</u>
Lone Star Ready Mix (Ready Mix Concrete), Austin, TX	\$3,000.00	0.053%
McGray & McGray Land Surveyors (Surveying), Austin, TX	\$3,000.00	0.053%
Arrow Oil Co. (Fuel, Oil), Austin, TX	\$317,000.00	5.65%
Fuquay, Inc. (Erosion Control), Austin, TX	\$51,300.00	0.91%
<u>Non-Certified Subcontractor Participation</u>	\$149,375.00	<u>2.66%</u>
Contractors Asphalt (Street Repairs & Maint), Round Rock, TX	\$65,000.00	1.16%
McKinney Drilling Co. (Caisson Shafts), Buda, TX	\$78,375.00	1.40%
United Cable Networks (Road Boring), Round Rock, TX	\$6,000.00	0.10%



Purchasing Service Agreement CITY OF AUSTIN RECOMMENDATION FOR COUNCIL ACTION

AGENDA ITEM NO.: 53 AGENDA DATE: Thu 12/16/2004 PAGE: 3 of 3

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-two notices were sent including eleven MBEs. Eight solicitations were issued including three MBEs and two WBEs. Two bids were received. M/WBEs did not respond.
- c. Price comparison of like units between this contract and the previous service agreement established in July 11, 2003 reflect a 12.52% overall increase in cost.

APPROVAL JUSTIFICATION

- a. Low bid.
- b. Austin Energy concurs with the recommended award.
- c. Advertised on the Internet.

CIP BUDGET Fiscal Note

DATE OF COUNCIL CONSIDERATION: WHERE ON AGENDA: DEPARTMENT:

12/16/2004 Resolution Austin Energy

SUBJECT: AAuthorize execution of a 12-month service agreement with MASTEC NORTH AMERICA, INC., Austin, TX for underground transmission/distribution construction and maintenance service in an amount not to exceed \$5,609,522.63, with four 12-month extension options in an amount not to exceed \$5,609,522.63 per extension option, for a total agreement amount not to exceed \$28,047,613.15.

FINANCIAL INFORMATION:

Parent Project Name:	Transmission
Project Authorization:	2004-2005 Approved Capital Budget

Current Appropriation	\$ 131,475,734.00	
Unencumbered Balance		\$ 9,178,157.60
Amount of This Action		(1,363,230.00)
Remaining Balance		\$ 7,814,927.60

Use of Remaining Balance:

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

Use of Any Remaining Funds After Completion of Project:

No remaining funds anticipated at this time.

Director, Planning and Budget

Dororny-Signature

_____ Date: <u>11/23/04</u>____

CIP BUDGET Fiscal Note

DATE OF COUNCIL CONSIDERATION: WHERE ON AGENDA: DEPARTMENT:

12/16/2004 Resolution Austin Energy

<u>SUBJECT</u>: Authorize execution of a 12-month service agreement with MASTEC NORTH AMERICA, INC., Austin, TX for underground transmission/distribution construction and maintenance service in an amount not to exceed \$5,609,522.63, with four 12-month extension options in an amount not to exceed \$5,609,522.63 per extension option, for a total agreement amount not to exceed \$28,047,613.15.

FINANCIAL INFORMATION:

Parent Project Name:	Distribution	
Project Authorization:	2004-2005 Approved Capital Budget	
Current Appropria	ation \$ 215,597,444.00	
•• •		¢ 21 746 776 01
Unencumbered Ba	alance	\$ 31,746,775.91
Amount of This A	ction	(3,685,770.00)
Remaining Balance	ce	\$ 28,061,005.91

Use of Remaining Balance:

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

Use of Any Remaining Funds After Completion of Project:

No remaining funds anticipated at this time.

Director, Planning and Budget

Signature Bokoing

Date: 11/23/04