



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 31
AGENDA DATE: Thu 12/01/2005
PAGE: 1 of 3**

SUBJECT: Authorize execution of a 24-month service agreement with SHAW ENERGY DELIVERY SERVICES, INC., Charlotte, NC, for construction and maintenance services on electric power facilities in an amount not to exceed \$13,951,037.18, with three 12-month extension options in an amount not to exceed \$6,975,518.59 per extension option, for a total agreement amount not to exceed \$34,877,592.95.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$12,555,933.46 is available in the Fiscal Year 2005-2006 Approved Capital Budget of Austin Energy. Funding in the amount of \$523,163.89 is available in the Fiscal Year 2005-2006 Amended Operating Budget of Austin Energy. Funding for the remaining 15-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 **DIRECTOR'S**
DEPARTMENT:for Austin Energy; **AUTHORIZATION:** Yickie Schubert

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

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid of three bids received.

MBE / WBE: 6.02% MBE; 2.22% WBE subcontractor participation.

This contract will establish a 24-month service agreement for the construction and maintenance of electric powerline facilities. These services will include combinations of Capital Improvement and Operating and Maintenance activities, and will assist Austin Energy in providing necessary services to areas that have been developed over the last few years. This agreement will supplement Austin Energy's manpower resources with ready access to contract labor and equipment for the performance of routine and emergency electric powerline work. Services will primarily include all facets of electric powerline construction and maintenance activities, with a focus on distribution services such as service extensions, removal and replacement of old poles, storm-related outage restoration, distribution line relocations and other work related to power line construction and maintenance services activities.

MBE/WBE Solicited: 11/6

MBE/WBE Bid: 0/0



BID TABULATION
Construction and Maintenance Services
IFB No. DC05300016A

Vendor	Total Bid
Shaw Energy Delivery Services Charlotte, North Carolina	\$6,975,518.59
Great Southwestern Construction, Inc. Castle Rock, Colorado	\$7,335,700.74
Pike Electric, Inc. Mount Airy, North Carolina	\$7,802,478.54

A complete bid tabulation is available in the Purchasing Office.

PRICE ANALYSIS

- Adequate competition.
- Twenty-four notices were mailed including 11 MBEs and six WBEs. Five solicitations were issued. Three bids were received with no MBEs/WBEs responding.
- The pricing offered represents an approximate 21% increase to the last contract in September 2003. The increase is due to higher fuel charges, cost of living increases and higher material and supply costs. The current contractor requested a 30% increase in order to exercise an available extension option on the current contract.

APPROVAL JUSTIFICATION

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



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Participation goals stated in the solicitation were 12.23% MBE and 0.2% WBE.

<u>Non-Certified Prime Participation</u>	<u>\$6,400,519.00</u>	<u>91.76%</u>
Shaw Energy Delivery Services, Inc.	\$6,400,519.00	91.76%

<u>MBE Participation</u>	<u>\$420,000.00</u>	<u>6.02%</u>
Johnson Hauling, Austin, TX (Hauling, Concrete, Sidewalk Repair)	\$100,000.00	1.43%
Zeta Group, Inc., Austin, TX (Pole Removal, Hauling, Hand Digging)	\$150,000.00	2.15%
Austin Traffic Signal, Austin, TX (Rock Drilling)	\$150,000.00	2.15%
Gomez Auto Body, Austin, TX (Auto Maintenance)	\$ 10,000.00	0.14%
Ecological Communications Corp., Austin, TX (Environmental Services)	\$ 10,000.00	0.14%

<u>WBE Participation</u>	<u>\$155,000.00</u>	<u>2.22%</u>
Central Texas Barricades, Austin, TX (Traffic Control)	\$100,000.00	1.43%
George Cox Automotive, Austin, TX (Auto Maintenance)	\$ 30,000.00	0.43%
MS Supply, Austin, TX (Miscellaneous Supplies, Tools)	\$ 25,000.00	0.36%

<u>Non Certified Participation</u>	<u>\$0.00</u>	<u>0.00%</u>
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Shaw Energy submitted a MBE/WBE Compliance Plan that demonstrated a Good Faith Effort and was approved by the Department of Small and Minority Business Resources.

**CIP BUDGET
Fiscal Note**

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

12/1/2005
Resolution
Austin Energy

SUBJECT: Authorize execution of a 24-month service agreement with SHAW ENERGY DELIVERY SERVICES, INC., Charlotte, NC, for construction and maintenance services on electric power facilities in an amount not to exceed \$13,951,037.18, with three 13-month extension options in an amount not to exceed \$6,975,518.59 per extension option, for a total agreement amount not to exceed \$34,877,592.95.

FINANCIAL INFORMATION:

Parent Project Name: Distribution
Project Authorization: 2005-2006 Approved Capital Budget

Current Appropriation	\$ 263,597,444.00	
Unencumbered Balance		\$ 34,890,658.90
Amount of This Action		<u>(6,277,966.73)</u>
Remaining Balance		<u>\$ 28,612,692.17</u>

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



Date:

11/16/05

CIP BUDGET
Fiscal Note

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FINANCIAL INFORMATION:

Parent Project Name: **Transmission**
Project Authorization: 2005-2006 Approved Capital Budget

Current Appropriation	\$ 155,475,734.00	
Unencumbered Balance		\$ 21,238,814.89
Amount of This Action		<u>(6,277,966.73)</u>
Remaining Balance		<u>\$ 14,960,848.16</u>

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: _____



Date: _____

11/16/05