



## Recommendation for Action

**File #:** 19-1857, **Agenda Item #:** 36.

6/6/2019

### **Posting Language**

Authorize amendments to existing contracts with Asplundh Tree Experts, LLC and Wright Tree Service Inc., for continued energized distribution line clearance services, for an increase in the amount of \$10,000,000 and to extend the term by one year, for revised total contract amounts not to exceed \$44,000,000, divided between the contractors.

(Note: These contracts were awarded in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. Current participation to date is 2.15% MBE and 0.33% WBE participation).

### **Lead Department**

Purchasing Office.

### **Client Department(s)**

Austin Energy.

### **Fiscal Note**

Funding in the amount of \$5,000,000 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy. Funding for the remaining contract terms are contingent upon available funding in future budgets.

### **Purchasing Language:**

Contract Amendment.

### **Prior Council Action:**

August 17, 2017 - Council authorized the initial terms of the contracts with the direction to return for authorization of the extension options, item 42, on an 8-2-1 vote, with Council Members Garza and Pool voting nay and Council Member Renteria abstaining.

### **For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov](mailto:AgendaOffice@austintexas.gov) <<mailto:AgendaOffice@austintexas.gov>> or to Terry Nicholson, at 512-322-6586 or [Terry.Nicholson@austinenergy.com](mailto:Terry.Nicholson@austinenergy.com) <<mailto:Terry.Nicholson@austinenergy.com>>.

### **Council Committee, Boards and Commission Action:**

May 13, 2019 - Recommended by the Electric Utility Commission on an 8-0 vote, with Commissioner Weldon off the dais and Commissioners Hadden and Stone absent.

### **Additional Backup Information:**

These contracts provide tree pruning and vegetation removal and suppression in the vicinity of Austin Energy's power lines. Vegetation management around energized electrical lines, utility easements, and rights of way is

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necessary in maintaining electric service reliability and public safety. Austin Energy's line clearance program helps prevent power outages and accidents.

On August 17, 2017, Council approved execution of the energized distribution line clearance contracts for the initial two year term only, and required additional Council action for any extension options.

During the initial term of the contracts, Austin Energy researched ways to restructure its vegetation management program to offer opportunities to a greater number of contractors with varying types and levels of experience, and increase efficiencies while meeting operational and regulatory requirements. As a result, Austin Energy developed a plan to replace the current contracts with the following new contract types:

- Energized distribution line clearance with two geographic zones (North and South); mid-cycle and ticket or responsive pruning; pruning around streetlights;
- Tree replacement and planting
- Tree growth regulator (tree shoot growth suppression) program
- Distribution vegetation management pre-planning (work planning and customer communications)

The proposed amendments will extend the contracts for a one year term, allowing time to solicit for services under the restructured vegetation management program described above. The current contracts expire September 17, 2019.

**Contract Detail:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Current Contract Authorization</u></b>	<b><u>Requested Additional Authorization</u></b>	<b><u>Revised Total Authorization</u></b>
Initial Term	2 yrs.	\$34,000,000		\$34,000,000
Optional Extension 1	1 yr.		\$10,000,000	\$10,000,000
<b>TOTALS</b>	<b>3 yrs.</b>	<b>\$34,000,000</b>	<b>\$10,000,000</b>	<b>\$44,000,000</b>

**Note:** Contract Authorization amounts are based on the City's estimated annual usage.