



## Recommendation for Action

**File #:** 21-1116, **Agenda Item #:** 10.

2/18/2021

### **Posting Language**

Authorize award and execution of a construction contract with DynaGrid Construction Group, LLC, for the Bluff Springs Substation project in the amount of \$7,407,380.03 plus a \$740,738 contingency, for a total contract amount not to exceed \$8,148,118.03.

[Note: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 13.14% MBE and 0.98% WBE participation.]

### **Lead Department**

Capital Contracting Office

### **Managing Department**

Austin Energy

### **Fiscal Note**

Funding is available in the Fiscal Year 2020-2021 Capital Budget of Austin Energy.

### **Purchasing Language:**

Lowest responsive bid of two bids received through a competitive Invitation for Bid solicitation.

### **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>>.

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749; Garrett Cox, 512-974-9423; or the Project Manager, Tara Delagarza, 512-505-7175.

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

To be reviewed by the Electric Utility Commission on February 8, 2021.

### **Additional Backup Information:**

The new Bluff Springs substation is needed to serve the growing loads in the south IH 35 corridor. Large retail developments along south IH 35 and increasing subdivision developments to the east of IH 35 have placed a strain on the existing distribution system infrastructure. Overloads and voltage problems will become an issue since circuits from the Slaughter Lane and Hi-Cross substations would have to be extended to feed the growing loads in this area. The existing facilities would not be able to serve the area without overloading existing equipment and suffering further reductions in switching capabilities.

This new substation will provide the substation capacity necessary to serve new developments and will strengthen the distribution system in this part of the service area.

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Two bids were received but the apparent low bidder was deemed non-responsive. A total of seven prime construction companies attended the pre-bid meeting held on November 24, 2020.

A delay in this critical system improvement will continue to expose the customers in this area to unacceptable load and voltage levels due to the length of the distribution circuits now feeding the area. In addition, because of limited distribution load switching capabilities in the area, the risk of extended outages during contingencies will increase as the load in the area continues to grow. Delaying the capacitor bank addition may create low voltage in the area.

Due to the potential for unknown conditions, a 10% contingency in funding has been included to allow for the expeditious processing of any change orders. A contingency is an additional amount of money added to the construction budget to cover any unforeseen construction costs associated with the project. By authorizing the additional contingency funding, Council is authorizing any change orders within the contingency amount.

The contract allows 180 calendar days for completion of this project. This project is located within zip code 78748, within the City's Extraterritorial Jurisdiction.

DynaGrid Construction Group, LLC is located in Lewisville, Texas.

**Strategic Outcome(s):**

Safety; Government That Works for All; Mobility