



Recommendation for Action

File #: 21-2853, **Agenda Item #:** 11.

10/14/2021

Posting Language

Authorize negotiation and execution of multi-term contracts with Mastec North America Inc. and Primoris T&D Services, LLC, for distribution electrical services, each for up to five years for total contract amounts not to exceed \$200,000,000, divided between the contractors.

(Note: This solicitation reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program and subcontractor goals were applied to the solicitation. The subcontracting goals were met by both the recommended contractors).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$6,666,667 is available in the Fiscal Year 2020-2021 Capital Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) 1100 JMF3007 for these services. The solicitation was issued on December 7, 2020, and it closed on January 19, 2021. Of the six offers received, the recommended contractors submitted the best evaluated, responsive offers. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134490)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134490>.

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>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Julia Finn, at 512-322-6060 or Julia.Finn@austintexas.gov <<mailto:Julia.Finn@austintexas.gov>>.

Council Committee, Boards and Commission Action:

September 13, 2021 - The Electric Utility Commission was cancelled due to lack of quorum.

Additional Backup Information:

These contracts are for distribution electrical services for Austin Energy. The contracts supplement Austin Energy's labor force by providing ready access to contract labor and equipment for service extensions, the removal and replacement of utility poles, storm related outage restoration, and distribution line relocations.

In response to continued growth in the Austin area, Austin Energy must implement system modification projects such as installing new distribution facilities and improving existing facilities to ensure reliability of the electrical system. These contracts are necessary for Austin Energy to implement those system modifications. Services performed by the contractors include pulling power cable, installing or replacing distribution hardware, and hauling and setting distribution poles.

An evaluation team with expertise in this area evaluated the offers and scored Mastec North America Inc. and Primoris T&D Services, LLC as the best to provide these services based on demonstrated applicable experience and personnel, program and safety, price, local preference, and service-disabled veteran business enterprise. Mastec North America Inc. is a local business.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$ 80,000,000
Optional Extension 1	1 yr.	\$ 40,000,000
Optional Extension 2	1 yr.	\$ 40,000,000
Optional Extension 3	1 yr.	\$ 40,000,000
TOTAL	5 yrs.	\$200,000,000

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

Strategic Outcome(s):

Government that Works for All.