



Recommendation for Action

File #: 22-2633, **Agenda Item #:** 29.

9/1/2022

Posting Language

Authorize negotiation and execution of an amendment to the professional services agreement with the following two staff recommended firms for Request for Qualifications Solicitation No. CLMP312: HDR Engineering, Inc. and Allegis Group Holdings, Inc., for engineering services for the AE Staff Augmentation, Engineering, and Related Engineering Services for Electric System Engineering and Technical Services Rotation List in the amount of \$22,500,000 in additional authorization, for a total authorization amount not to exceed \$48,375,000.

[Note: This amendment will be awarded in compliance with City Code 2-9B (Minority Owned and Women Owned Business Enterprise Procurement Program). Current participation to date for HDR Engineering, Inc. is 22.51% MBE and 21.60% WBE. Current participation to date for Allegis Group Holdings, Inc. is 74.67% MBE and 9.60% WBE].

Lead Department

Financial Services Department.

Managing Department

Capital Contracting.

Fiscal Note

Funding is available in the Fiscal Year 2021-2022 Capital and Operating Budgets of Austin Energy. Additional funding is available in the Fiscal Year 2022-2023 Capital and Operating Budgets.

Purchasing Language:

Two contracts were awarded through a qualifications-based selection process.

Prior Council Action:

June 10, 2021 - Council approved a professional services agreement with Allegis Group Holdings, Inc., for the AE Staff Augmentation, Engineering and Related Engineering Services for Electric System Engineering and Technical Services Rotation List in the total amount of \$25,875,000.

March 4, 2021 - Council approved a professional services agreement with HDR Engineering, Inc., and POWER Engineers, Inc. for the AE Staff Augmentation, Engineering and Related Engineering Services for Electric System Engineering and Technical Services Rotation List in the total amount of \$25,875,000.

For More Information:

Inquiries shall be directed to Rolando Fernandez, 512-974-7749 or Rick Wilson, 512-974-7261.

Council Committee, Boards and Commission Action:

August 8, 2022 - Recommended by the Electric Utility Commission on a 7-0 vote with Commissioner Hadden off the dais, Commissioners Bowen and Funkhouser absent, and one vacancy.

Additional Backup Information:

As a standard business practice, the City routinely engages the services of professional engineering firms to perform analysis, design and support services associated with construction or improvement of City capital assets. Rotation List contracting allows the City to always have a group of qualified consultants available to perform a specific type of recurring work in a timely manner to meet the project and operational needs of the City.

On March 4, 2021, Council approved the negotiation and execution of a professional services agreement with HDR Engineering, Inc., and POWER Engineers, Inc. Negotiations with POWER Engineers, Inc.; however, failed to result in an agreement. In accordance with Government Code 2254, the City formally ended negotiations with POWER Engineers, Inc., and, upon Council approval on June 10, 2021, the City negotiated an agreement with the next most qualified firm, Allegis Group Holdings, Inc.

The firms serve as professional consultants, providing technical consultation and advice for the Electric System Engineering and Technical Services group of Austin Energy. Services generally include producing turnkey project and construction drawing packages, as well as providing engineering, technical and drafting personnel to augment Austin Energy workspaces.

The services include, but are not limited to, the following:

- Transmission Design
- Substation Design
- Relay Design
- Protection Design
- Planning Analysis
- Distribution Design
- Equipment and Materials Analysis
- Construction Materials Testing, Subsurface Utility Exploration, and Geotechnical Engineering Services
- Civil Engineering
- Land Surveying Services
- Right-of-Way (ROW) Appraisal and Acquisition Services

This Rotation List has executed an average of \$1,000,000 per month of authorizations over the past 12 months for specific projects and staff augmentation resources. Some of the projects require multiple phases that will require additional authorization for the firms to complete the projects. Also, due to the current market, the firms have spent a tremendous amount of time getting the staff augmentation resources into place. Additional authorization is needed to continue with the staff resources that are now in place.

This amendment has been approved by the City's Change Control Committee. The Change Control Committee was established to comply with Council Resolution No. 20120126-048, which required the establishment of consistent criteria and process to evaluate contractual changes for all contracts administered by the Financial Services Department - Capital Contracting. The Change Control Committee is comprised of management-level subject matter experts.

RECOMMENDED FIRMS:

HDR Engineering, Inc., is located in Austin, Texas.

Allegis Group Holdings, Inc., is located in Hanover, Maryland.

Strategic Outcome(s):

Safety, Government that Works for All.