



## Recommendation for Action

**File #:** 23-3137, **Agenda Item #:** 12.

11/9/2023

### **Posting Language**

Authorize execution of a contract for pipe insulation and repair services with Taurus Industrial Group, for up to five years, for a total amount not to exceed \$1,250,000.

[Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9B (Minority Owned and Women Owned Business Enterprise Procurement Program). For the services required for this solicitation, there were no subcontracting opportunities, therefore, no subcontracting goals were established].

### **Lead Department**

Financial Services Department.

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

Austin Water.

### **Fiscal Note**

Funding in the amount of \$229,167 is available in the Fiscal Year 2023-2024 Operating Budget of Austin Water. Funding for the remaining contract terms is contingent upon available funding in future budgets.

### **Purchasing Language:**

The Financial Services Department issued an Invitation for Bids (IFB) 2200 SMW1006 for these services. The solicitation was issued on June 5, 2023, and closed on August 22, 2023. The recommended contractor submitted the only responsive offer. A complete solicitation package, including a tabulation of the bid received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents <https://financeonline.austintexas.gov/afo/account\\_services/solicitation/solicitation\\_details.cfm?sid=138951>](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=138951).

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

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

November 8, 2023 - To be reviewed by the Water and Wastewater Commission.

### **Additional Backup Information:**

The contract will provide the City with pipe insulation and related repair services through a qualified contractor for water and wastewater plants within Austin Water (AW). This service will provide a safeguard for the plants in the event of future winter storms that have the potential to damage vital pipe networks. In recent years, the City has experienced an increased number of winter events causing damage to vital infrastructure. This contract will be another protection to help ensure that the vital above-ground pipe infrastructure at the plants

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for AW remain in service. This service will entail the option of removing damaged jacketing and insulation and replacing with City approved jacketing and insulation.

The requested authorization amount for this contract was determined using AW historical spending and future estimates. There is no minimum guarantee of work under this contract, and it will only be used as needed.

If the City is unable to secure a contract, the vital above-ground pipe infrastructure at AW plants will have limited options in the event of damage to piping or insulation. Damaged insulation and frozen piping would be a significant risk in the case of a major winter storm without an approved insulation repair contract.

**Contract Detail:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Contract Authorization</u></b>
Initial Term	2 yrs.	\$ 500,000
Optional Extension 1	1 yr.	\$ 250,000
Optional Extension 2	1 yr.	\$ 250,000
Optional Extension 3	1 yr.	\$ 250,000
<b>TOTAL</b>	<b>5 yrs.</b>	<b>\$1,250,000</b>

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