



# City of Austin

## Recommendation for Action

File #: 24-6076, Agenda Item #: 42.

11/21/2024

### Posting Language

Authorize execution of a construction contract for Austin Energy for the 6th Street Chilled Water Transmission Line Extension project, with Primoris Energy Services Corporation, in the amount of \$22,593,601 plus a \$2,259,360 Contingency, for a total contract amount not to exceed \$24,852,961. Funding: Funding is available in the Capital Budget of Austin Energy.

### Lead Department

Financial Services Department.

### Managing Department

Austin Energy.

### Amount and Source of Funding

Funding is available in the Capital Budget of Austin Energy.

### Purchasing Language:

The Financial Services Department issued an Invitation for Bids IFB CLMC1049 for these services. The solicitation was issued on June 24, 2024, and closed on August 22, 2024. Of the 3 bids received, the recommended contractor submitted the lowest responsive bid. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's website. This information can currently be found at [https://financeonline.austintexas.gov/afo/account\\_services/solicitation/solicitation\\_details.cfm?sid=140774](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=140774).

### MBE / WBE:

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 20.64% MBE and 2.25% WBE participation.

### 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:

October 21, 2024 - To be reviewed by the Electric Utility Commission.

### Additional Backup Information:

The downtown District Cooling System network cools over 18 million square feet of downtown Austin. With the scheduled demolition of the Austin Convention Center in early 2025, chilled water pipe buried underneath it must be removed. Prior to the Austin Convention Center demolition Austin Energy must connect the 6th Street pipes ensure continuous chilled water service for downtown customers. The pipes that need to be connected

are currently located at 6th Street and San Antonio Street and 6th Street and Congress Avenue.

The project consists of extending the existing 6th Street chilled water line by 1,727 linear feet of supply and return lines in 72-inch pipe casing in the right of way from 400 West 6th Street to 101 1/2 East 6th Street. Seven 30-foot by 15-foot bore pits will be excavated to install two 24-inch chilled water lines starting from the mid-500 block (east of Congress Avenue) to the intersection at San Antonio Street and 6th Street.

This item includes two allowances. The allowance of \$100,000 will be used to address unknown underground contamination. The allowance of \$500,000 will be used to address unknown underground conflict. An allowance is an amount that is specified and included in the construction contract or specifications for a certain item(s) of work when details are not determined at the time of bidding.

Due to the potential for encountering unknown conditions, a 10% contingency in funding has been included to allow for the expeditious processing of any change orders 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.

If the 6th Street Chilled Water Transmission Line Extension project is not approved, it will significantly impact the Austin Convention Center. With the scheduled demolition of the Convention Center in early 2025, the chilled water pipe underneath it must be removed. Without the timely connection of the 6th Street pipes, the continuity of chilled water service for downtown customers, including the Convention Center, will be compromised. This disruption could affect the Convention Center's operations, leading to potential event cancellations, financial losses, and a negative impact on the local economy. The inability to provide consistent cooling could also affect other businesses and facilities relying on this critical infrastructure, highlighting the urgency and importance of completing the 6th Street Chilled Water Transmission Line Extension as planned.

The contract allows 360 working days for the completion of this project.

This project is located within zip code 78701 (District 9).