



# City of Austin

## Recommendation for Action

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**File #:** 25-1317, **Agenda Item #:** 83.

7/24/2025

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### **Posting Language**

Authorize an amendment to a contract for the Underground Electrical Civil Construction for Austin Energy with Mastec North America, Inc., to increase the amount by \$48,000,000, for a revised total contract amount not to exceed \$120,000,000. Funding: \$48,000,000 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:**

Contract Amendment.

### **MBE/WBE:**

This contract was awarded in compliance with City Code 2-9A (Minority-Owned and Women-Owned Business Enterprise Procurement Program). Current participation to date is 20.88% MBE and 0.64% WBE.

### **Prior Council Action:**

November 18, 2021 - Council approved a contract with Mastec North America, Inc. for the Underground Electrical Civil Construction Indefinite Delivery/Indefinite Quantity project.

### **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:**

July 17, 2025 - To be reviewed by the Electrical Utility Commission.

### **Additional Backup Information:**

This contract supplements Austin Energy's (AE) labor force to provide ready access to contract labor and equipment for underground transmission and distribution services, all facets of electric distribution, transmission and substation underground services, routine electric service extensions, and providing support for emergency, storm, holiday, and electric outage restoration. These services are essential to help reduce outages and long-term disturbances in the electric systems that affect AE customers.

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This is an Indefinite Delivery/Indefinite Quantity (IDIQ) contract which provides for an indefinite quantity of services for a fixed time, usually an initial term with extension options. They are commonly used when precise quantities of supplies or services, above a specified minimum, cannot be determined. IDIQ contracts help streamline the contract process and service delivery and allow the City the flexibility to add work as needs arise or change. As each project is defined, a specific work assignment will be assigned to the contractor who will complete the scope of work for the unit prices included in the contract. Work deadlines will be established for each work assignment.

Additional authorization is needed to continue staff augmented support services for the remaining contract term due to various factors, including the increase in the City's living wage in Fiscal Year 2023, the need for additional crews to restore services for three winter storms, new strategic developments and home subdivisions, and supply shortages and increased cost for construction materials, parts, and fuel. Services for this contract are scheduled to be resolicited in the first quarter of 2026.

This contract will service all Districts and the City's Extraterritorial Jurisdiction.