



Legislation Details (With Text)

File #: ID 17-191 **Version:** 1 **Name:**

Type: Ordinance

File created: 2/3/2017 **In control:** City Council

On agenda: 2/21/2017 **Final action:**

Title: Consider adoption of an ordinance of the City of Denton, Texas authorizing the approval of a third amendment to a contract between the City of Denton and Barco Construction, Inc. for Underground Electric Installation Services which was originally approved by Council on September 17, 2014 in the amount of \$4,837,484.10 with a first and second amendment providing for additional line items but no change to the contract award amount approved by Purchasing staff; providing for the expenditure of funds therefor; and providing an effective date (File 5567-providing for an additional expenditure amount not-to-exceed \$1,209,371 with the total contract amount not-to-exceed \$6,046,855.10). The Public Utilities Board recommends approval (6-0).

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit 1-Original Contract, 2. Exhibit 2-First Amendment, 3. Exhibit 3-Second Amendment, 4. Exhibit 4-PUB Minutes, 5. Exhibit 5-Ordinance, 6. Exhibit 6-Third Amendment

Date	Ver.	Action By	Action	Result
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AGENDA INFORMATION SHEET

DEPARTMENT: Materials Management

ACM: Bryan Langley

AGENDA DATE: February 21, 2017

SUBJECT

Consider adoption of an ordinance of the City of Denton, Texas authorizing the approval of a third amendment to a contract between the City of Denton and Barco Construction, Inc. for Underground Electric Installation Services which was originally approved by Council on September 17, 2014 in the amount of \$4,837,484.10 with a first and second amendment providing for additional line items but no change to the contract award amount approved by Purchasing staff; providing for the expenditure of funds therefor; and providing an effective date (File 5567-providing for an additional expenditure amount not-to-exceed \$1,209,371 with the total contract amount not-to-exceed \$6,046,855.10). The Public Utilities Board recommends approval (6-0).

FILE INFORMATION

The City Council approved a contract with Barco Construction, Inc. for underground electric service installations on September 17, 2014, in the amount of \$4,837,484.10 for a three (3) year time period (Exhibit 1). Contractors have been utilized by DME for the installation of underground utilities since February 2000. This service was originally contracted out through a competitively solicited RFP process to accommodate the rapid rate of growth in Denton and the City's desire to install underground facilities in all new residential

subdivisions and in locations where it is economically feasible. Contract #5567 consists of the labor, equipment, tools, and supervision, and covers all administrative and insurance costs incurred by the contractor necessary to complete installations of electric service facilities under the direction of Denton Municipal Electric (DME) staff. DME provides all of the permanent electric materials through the Materials Management Department that are to be installed by the contractor. Work is performed for underground construction in residential subdivisions, commercial and industrial developments, exit feeders for new substations, and overhead conversion projects. This agreement does not guarantee any minimum amounts of construction and is used on an as needed basis, contingent upon project dependencies.

First and second amendments to this contract were initiated to add additional line items to the pricing sheet but no additional contract dollar amount was added (Exhibits 2 and 3). This third amendment is for the additional amount \$1,209,371 to allow Denton Municipal Electric to complete installations and infrastructure projects in the last year of the contract, therefore increasing the total contract value to a not-to-exceed amount of \$6,046,855.10 (Exhibit 6). The existing three (3) year contract will expire on September 16, 2017 and a new RFP will be issued for award prior to that expiration time.

The initial contract amount approved in 2014 in the amount of \$4,837,484.10 was based upon the installation history that DME had experienced for previous contracts for underground electric service installation. During the past 2 years and 4 months since the contract award, installation numbers have grown dramatically due to large projects such as the Western UG-Jim Christal to FM 1515 project which resulted in a cost of \$1,083,315.29 to this multi-year contract. As a result, additional dollars are needed to finish out the contract period.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 13, 2017, the Public Utilities Board recommended approval to forward this item to the City Council for consideration.

RECOMMENDATION

Approve a third amendment to the contract with Barco Construction, Inc. in an amount not-to-exceed \$1,209,371 for a total contract amount not-to-exceed \$6,046,855.10.

PRINCIPAL PLACE OF BUSINESS

Barco Construction, Inc.
Denton, TX

ESTIMATED SCHEDULE OF PROJECT

This is an initial one (1) year contract with options to extend the contract for two (2) additional one (1) year periods, with all terms and conditions remaining the same.

FISCAL INFORMATION

The services provided through this contract will be funded from Denton Municipal Electric project accounts on an as needed basis.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: **Public Infrastructure**

Related Goal: **2.3 Promote superior utility services and facilities**

EXHIBITS

Exhibit 1: Original Contract

Exhibit 2: First Amendment

Exhibit 3: Second Amendment

Exhibit 4: Public Utilities Board Draft Minutes

Exhibit 5: Ordinance

Exhibit 6: Third Amendment

Respectfully submitted:
Ethan Cox, 349-7421
Customer Service Manager

For information concerning this acquisition, contact: Rowdy Patterson at 349-7669.