

AGENDA



Thursday, January 29, 2009

**Contract and Land Management
RECOMMENDATION FOR COUNCIL ACTION****Item No. 5**

Subject: Authorize negotiation and execution of Amendment No. 3 to the construction contract service agreement with TEPSCO, L.P., Deer Park, TX, to increase the second 12-month extension option by 180 days to allow for the completion of underground chilled water piping presently under construction.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Jim Collins 322-6426; Frank Mays 974-7051; April Thedford 974-7141

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9A of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) with 9.50% MBE and 9.52% WBE subcontractor participation to date.

Boards and Commission Action: To be reviewed by the Electric Utility Commission on January 26, 2009.

Prior Council Action: March 9, 2006 – Council approved original contract; June 21, 2007 – Council approved Amendment No. 1; August 7, 2008 – Council approved Amendment No. 2.

Execution of this amendment will allow Austin Energy (AE) to complete new chilled water customer connections that are presently under construction and required to meet customer's service date requirements. This request for action is to increase the second 12-month extension option by 180 days to allow for completion. No additional funding is being requested.

Council approved the original contract on March 9, 2006 for an initial period of one year in an amount not to exceed \$4,000,000, with two optional one-year extensions, not to exceed \$4,000,000 per approved annual extension. Council approved Amendment No. 1 on June 21, 2007, increasing the overall contract amount not to exceed \$17,880,000. Council approved Amendment No. 2 on August 7, 2008, increasing the overall contract amount not to exceed \$22,580,000.

AE is presently in the solicitation process for a new construction contract service agreement to be used for future customer service connections.