

AGENDA



Thursday, October 1, 2009

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

Subject: Authorize negotiation and execution of a construction contract with FACILITIES REHABILITATION INC. (MBE/MH - 96.30%), Taylor, TX, for the Decker Creek Power Station drainage improvements in an amount not to exceed \$135,006.

Amount and Source of Funding: Funding is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Ravi Joseph 322-6284; April Thedford 974-7141

Purchasing Language: Lowest of eight (8) bids received.

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) by meeting the goals with 96.30% MBE prime participation and 3.70% WBE subcontractor participation.

Boards and Commission Action: Recommended by the Electric Utility Commission.

The project was initiated in response to findings from a Spill Prevention Countermeasures and Control (SPCC) Plan regulatory audit conducted at Austin Energy's Decker Creek Power Station. The SPCC Plan is required by federal regulation and identifies potential sources of oil spills that may enter a body of water.

The audit findings included three significant opportunities to improve the facility plan in place to mitigate and respond to any spills: 1) the need to take steps to prevent oil spills from various locations at the plant from entering the discharge canal leading to Decker Lake; 2) to prevent oil spills from transformers that may occur inside the Decker switchyard from getting pumped into Decker Lake by the storm water pumps; and 3) to prevent spills that may occur from a fuel oil pipeline (prior to entering a pump house) from entering storm water drains in the vicinity and entering Decker Lake.

This containment project is targeted to address all three findings. A concrete oil/water separator will be installed in the discharge canal just before the water discharges into Decker Lake. Any oil leaks that end up in the plant discharge will be retained and removed from the separator. Potential oil spills in the switchyard area will be addressed by installing a larger concrete sump and pump just outside the switchyard and routing the storm water through a pipeline to an area that drains into the discharge canal. Therefore, any spill in the switchyard will end up in the discharge canal and accumulate in the oil/water separator. Finally, a small concrete curb will be constructed around the oil pipeline, to prevent the oil from directly ending up in the storm drain.

The contract allows 45 working days for completion of this project.