

CIP BUDGET EXPENSE DETAIL

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):

4/28/11
Austin Energy

SUBJECT: Authorize negotiation and execution of a contract with TRC ENVIRONMENTAL CORPORATION, Austin, Texas, or one of the other qualified offerors for RFP Solicitation No. CLMB301A, for the Reissue - Holly Street Power Plant Decommissioning Project for \$11,502,518, plus \$575,126 contingency for a total not-to-exceed amount of \$12,077,644.

CURRENT YEAR IMPACT:

Department:	Austin Energy
Project Name:	Holly Decommissioning RWIP
Project Authorization:	2010-2011 Capital Budget
Funding Source:	Non-Nuclear Decommissioning Funds
Fund/Dept/Unit:	3320-1107-7500
Current Appropriation	18,812,326
Unencumbered Balance	9,492,738
Proposed Budget Amendment Item on 04/28/11	5,500,000
Amount of This Action	(12,077,644)
Estimated Available	<u>2,915,094</u>

ANALYSIS / ADDITIONAL INFORMATION: The retirement of the Holly Street Power Plant met goals set by the City Council and Austin Energy in the early 1990's to retire the plant at the earliest practical date, due to its location within a residential neighborhood that has increased in density over the 47-year life of the facility. Holly's four generating units were constructed between 1960 and 1974. Holly Units 1 and 2 ceased operation in October 2004 and Units 3 and 4 ceased operation in September 2007. Regular communications with neighborhood representatives and the Holly neighborhood at large continue to provide information on the progress of this project thru the use of monthly newsletters and meetings.

The decommissioning project consists of specialized construction services necessary for the deconstruction of an electrical power production facility, including but not limited to construction of a temporary road to facilitate removal of materials and equipment from the plant site, skilled labor and heavy equipment as required for the demolition and/or removal of equipment, tanks, boilers, structural steel and associated buildings. The services are to be provided by a duly qualified and experienced contractor offering best value to the City.