

## CIP BUDGET EXPENSE DETAIL

DATE OF COUNCIL CONSIDERATION:  
CONTACT DEPARTMENT(S):

8/4/11  
Austin Energy

**SUBJECT:** Authorize the negotiation and execution of all documents and instruments necessary or desirable for the fee simple acquisition of a 12.62-acre tract of land out of Lot 4, Block H, Interport Planned Development, Travis County, Texas, located on Fallwell Lane, Austin, Texas, from New Interport, Ltd., a Texas Limited Partnership, to increase the land buffer and to support the planned expansion of Austin Energy's Sand Hill Energy Center in an amount not to exceed \$998,000.

### CURRENT YEAR IMPACT:

|                             |                          |
|-----------------------------|--------------------------|
| <b>Department:</b>          | <b>Austin Energy</b>     |
| Project Name:               | Power Production         |
| Fund/Dept/Unit:             | 3220-1107-7118           |
| Funding Source:             | Current Revenue          |
| Current Appropriation       | 507,972,850              |
| Unencumbered Balance        | 15,503,995               |
| Amount of This Action       | (998,000.00)             |
| Remaining Balance           | <u>14,505,995</u>        |
| Total Amount of this Action | <u><u>998,000.00</u></u> |

### ANALYSIS / ADDITIONAL INFORMATION:

Austin Energy seeks authorization to purchase 12.62 acres near the Sand Hill Energy Center to provide a larger land buffer for the power plant and to allow for possible expansion of the combined cycle power plant. This buffer will provide additional space for equipment and materials for use by Sand Hill personnel and contractors, and for construction equipment and materials during any expansion. In April 2010, City Council approved Austin Energy's Resource, Generation, and Climate Protection Plan which proposes a build out of the Sand Hill Energy Center, adding 200 megawatts (MW) of combined cycle capacity.

The market value of the property is \$990,000, as determined by an independent appraisal, and the owner has agreed to sell for the appraised value. Additional funds are requested for closing costs associated with the purchase.