



**ELECTRIC UTILITY COMMISSION
REGULAR MEETING MINUTES—Approved 3/19/2012
FEBRUARY 27, 2012**

The Electric Utility Commission (EUC) convened in a regular meeting in the Shudde Fath Conference Room at 721 Barton Springs Road in Austin, Texas.

1. **CALL TO ORDER** – Phillip Schmandt called the meeting to order at 6:00 p.m.
Commissioners in attendance: Phillip Schmandt, Chair; Linda Shaw, Vice Chair; Gary ‘Bernie’ Bernfeld, Barbara Day, Shudde Fath, Stephen Smaha, and Dr. Michael Webber.
Staff in attendance: Cheryl Mele, Kerry Overton, Andy Perny, Ann Little, Jackie Sargent, Mark Dreyfus, Marnie Cervenka, Pat Sweeney, Steve Machicek, Kerri Davis, Elaine Kelly-Diaz, David Kutach, Jeff Vice, Patricia Alofsin and Toye Goodson Collins of Austin Energy; and Rosemary Ledesma of the Purchasing Department.
2. **APPROVAL OF MINUTES** – Approve minutes of the January 23, 2012 regular meeting.
Motion to approve minutes by Commissioner Bernfeld, seconded by Commissioner Fath, passed on a vote of 7-0.
3. **CITIZEN COMMUNICATIONS: GENERAL**
Doris Williams spoke about problems associated with her utility statements. After addressing the Commission, Ms. Williams’ concerns were resolved by an Austin Energy Customer Care staff.

NEW BUSINESS – CONSENT ITEMS

4. Authorize award and execution of a contract with TECHNOLOGY FOR ENERGY CORPORATION for the purchase of field testing devices for Austin Energy to test electrical meter installations in an amount not-to-exceed \$187,630. **Motion to approve by Commissioner Webber, seconded by Commissioner Smaha, passed on a vote of 7-0.**
5. Authorize award and execution of a contract with PRIESTER-MELL & NICHOLSON INC for the purchase of voltage regulators for Austin Energy in an amount not to exceed \$88,694. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 7-0.**
6. Authorize award and execution of a 24-month requirements supply contract with POWELL ELECTRICAL SYSTEMS, INC. for the purchase of 15kV Arc-Resistant Switchgear for Austin Energy in an estimated amount not to exceed \$12,347,692, with two 24-month extension options in an estimated amount not to exceed \$12,347,692 per extension option, for a total estimated contract amount not to exceed \$37,043,076. **Motion to approve by Commissioner Webber, seconded by Commissioner Smaha, passed on a vote of 7-0.**
7. Authorize award and execution of a 12-month requirements service contract with A&B ENVIRONMENTAL SERVICES, INC. for priority and regulated pollutant analyses for Austin Energy Lab Services in an estimated amount not to exceed \$79,695, with three 12-month extension options in an estimated amount not to exceed \$79,695 per extension option, for a total estimated contract amount not to exceed \$318,780. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 7-0.**

8. Authorize award and execution of Amendment No. 3 to a contract with GC3 SPECIALTY CHEMICALS, INC. for the purchase of aqueous ammonia for use at Austin Energy's Sand Hill Energy Center, to increase the current contract in an estimated amount not to exceed \$45,000, and to increase the two remaining extension options in an estimated amount not to exceed \$45,000 per extension option, for a revised total estimated contract amount not to exceed \$460,000. **Motion to approve by Commissioner Webber, seconded by Commissioner Smaha, passed on a vote of 7-0.**
9. Authorize award, negotiation, and execution of a 12-month requirements service contract with OSISOFT LLC for the purchase of additional licenses and maintenance and support services for process integration software for Austin Energy in an estimated amount not to exceed \$127,711, with four 12-month extension options in an estimated amount not to exceed \$79,330 per extension option, for a total estimated contract amount not to exceed \$445,031. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 7-0.**
10. Authorize award and execution of a 24-month requirements service agreement contract with TRIPLE-D SECURITY, or one of the other qualified bidders for IFB-BV No. JSD0211, to provide armored car services in an estimated amount not to exceed \$171,438 with two 12-month extension options in an amount not to exceed \$92,200 for the first extension option, and \$96,810 for the second extension option, for a total contract amount not to exceed \$360,448. [Shared contract for several City departments; AE's share is \\$10,668/year.](#) **Motion to approve by Commissioner Webber, seconded by Commissioner Smaha, passed on a vote of 7-0.**
11. Authorize award and execution of a 36-month requirements service contract with ALAMO DOOR SYSTEMS OF TEXAS, INC. for overhead door maintenance and repair for various city facilities in an estimated amount not to exceed \$1,200,000 with three 12-month extension options in an estimated amount not to exceed \$450,000 for the first extension option; \$500,000 for the second extension option, and \$550,000 for the third extension option, for a total estimated contract amount not to exceed \$2,700,000. [Shared contract for several City departments; AE's share is estimated to be \\$40,000/year.](#) **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 7-0.**
12. Authorize award, negotiation, and execution of 36-month requirements service contract with COMMUNICATION SERVICES FOR THE DEAF, or one of the other qualified respondents for RFQS No. BKH0127, for sign language interpretation services for various City departments in an estimated amount not to exceed \$279,000, with two 12-month extension options in an estimated amount not to exceed \$93,000 per option, for a total estimated contract amount not to exceed \$465,000. [Shared contract for several City departments; AE's share is estimated to be \\$4,000/year.](#) **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 7-0.**

Commissioner Day requested the formula used to calculate each department's portion of shared contracts. Rosemary Ledesma, Purchasing Department, provided information on the three shared items listed on the agenda. For Item 10, Triple-D Security, the amounts were based on monthly fixed unit costs for each pick up location. For Items 11 and 12, Alamo

Door Systems of Texas and Communication Services for the Deaf, amounts were based on actual use during the past two years.

Commissioners decided to discuss Item 17, an update on the customer billing system replacement project.

STAFF REPORTS AND BRIEFINGS

17. Customer billing system update – Kerry Overton, Deputy General Manager, and J.J. Gutierrez, Customer Care Vice President, referred to a memo from Austin Energy distributed to Commissioners in advance of the meeting, providing a written update on the Customer Care & Billing system implementation, as requested. Mr. Overton explained that the information included in the memo was also discussed with City Council at the February 22, 2012, special called meeting.

Chair Schmandt invited speakers to address the Commission. Carol Biedrzycki spoke regarding issues associated with the Budget Billing Program and the customer billing system. Chair Schmandt requested that Austin Energy review Ms. Biedrzycki's recommendations, Commissioner Bernfeld asked that staff consider improvements to Customer Care's automated message menu, and Commissioner Day recommended that any customers dropped from the Budget Billing Program be reinstated. Commissioners requested that staff report back in March and that customer service staff be available to assist customers who might attend the meeting.

OLD BUSINESS – DISCUSSION

13. Discussion of Annual Internal Review and Report required of Boards and Commissions per Section 2-1-46 of the City Code – Commissioners Smaha and Webber requested input from Commissioners on the draft report. Chair Schmandt offered to submit a summary of the Commission's work on the revision of the Competitive Matters resolution. Next month, the Commission will finalize the report to be submitted to the City Clerk by March 31, 2012.

STAFF REPORTS AND BRIEFINGS (continued)

14. Financial Report by Steve Machicek, Director, Corporate Accounting & Rates.
15. Rate review process update by Cheryl Mele, Chief Operating Officer.
16. Briefing on recent fuel charge increase by Cheryl Mele. In advance of the meeting, Austin Energy distributed a memo to Commissioners providing information regarding the increase, as requested. Commissioners requested additional data regarding the increase.

FUTURE AGENDA ITEMS

17. Request agenda items including information related to the Upcoming Procurements Report – Commissioners requested a follow up report on the customer billing system replacement next month. They also requested an update on the biomass contract and an update on the fuel hedging program.

18. **ADJOURN** – Chair Schmandt adjourned the meeting at 7:50 p.m. without objection.