Recommendation for Council Action

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<td>12/6/2012</td>
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**Subject**

Authorize reimbursement to Seaholm Power, LLC, for design and engineering services for chilled water transmission lines and mechanical room design for chilled water service connections to a high-rise residential building and the former Seaholm power plant facility on the southern portion of the Seaholm Redevelopment site in an amount not to exceed $210,840.

**Amount and Source of Funding**

Funding is available in the Fiscal Year 2012-2013 Capital Budget of Austin Energy.

**Fiscal Note**

A fiscal note is attached.

**Purchasing Language:**

**Prior Council Action:**

**For More Information:**

Jeff Vice, Director, Local Government Relations, 322-6087; Jim Collins, Director, On-Site Energy Resources (512) 322-6426.

**Boards and Commission Action:**

Recommended by the Electric Utility Commission.

**MBE / WBE:**

This contract will be awarded in compliance with the City of Austin Third Party Resolution No. 20120112-058.

**Related Items:**

**Additional Backup Information**

This request seeks authorization to reimburse Seaholm Power, LLC, a Delaware limited liability company, for design and engineering services necessary for chilled water transmission lines from Second Street and West Avenue through a portion of the Seaholm Redevelopment site and for mechanical room design for chilled water service connections to a high-rise residential building and the former Seaholm power plant facility. The transmission lines are planned for future installation between the high rise and the former plant located on the southern portion of the Seaholm Redevelopment tract.

Mechanical room design includes piping and heat exchanger layouts and associated appurtenances as necessary to provide chilled water services to the two facilities.

The cost of engineering, as well as the associated future construction costs for service connection, will be recovered over time as part of the multi-year chilled water agreements between Austin Energy and Seaholm Power, LLC. Costs
for engineering and construction of the transmission line are part of the system-wide cost of service borne by customers of the Downtown District Cooling System.

Austin Energy will bring forward a separate Recommendation for Council Action for reimbursement related to the construction of the projects described above.

Connection of new customers to the District Cooling System increases Austin Energy’s peak demand shift capability and increases gross revenue and profitability.

Seaholm Power, LLC, will comply fully with the City of Austin Third Party Resolution related to the design and construction associated with the piping needed to interconnect to the Austin Energy District Cooling System.