

A G E N D A



Recommendation for Council Action

Austin City Council		Item ID	60267	Agenda Number	2.
Meeting Date:	8/4/2016		Department:	Austin Energy	
Subject					
Authorize the negotiation and execution of a 36-month lease agreement with Casa Marco TX III, LLC, for approximately 49,397 square feet (1.134 acres) of surface area space located at 201 West Howard Lane for a temporary construction laydown yard to support major electric transmission projects, in an amount not to exceed \$360,000, with two 12-month extension options in an amount not to exceed \$120,000 per extension option, for a total amount not to exceed \$600,000. (District 7)					
Amount and Source of Funding					
Funding in the amount of \$360,000 is included in the proposed Fiscal Year 2016-2017 Capital Budget of Austin Energy. Funding for the extension options is contingent upon available funding in future budgets.					
Fiscal Note					
A fiscal note is attached.					
Purchasing Language:					
Prior Council Action:					
For More Information:	Jeff Vice, Director, Local Government Issues (512) 322-6087; Susan Groce, Manager, Electric Service Support Services (512) 322-6671; Pamela England, Manager, Public Involvement and Real Estate Services (512) 322-6442.				
Council Committee, Boards and Commission Action:	July 18, 2016 – Recommended by the Electric Utility Commission on a vote of 10-0 with Commissioner Ferchill absent.				
MBE / WBE:					
Related Items:					
Additional Backup Information					
<p>The laydown yard is required for the storage of equipment and materials necessary for major transmission projects planned for the northeast quadrant of Austin Energy's service territory. These major construction projects are due to start in the fall of 2016. The laydown yard is located on West Howard Lane southeast of McCallen Pass in District 7.</p> <p>The critical electric system improvement projects include eight miles of new construction related to the new Gilleland to Techridge transmission line, 1.7 miles of a double circuit rebuild between Techridge and Howard Lane, and 2.5 miles of new construction to reroute a portion of the Dunlap to Techridge transmission line necessary to replace the existing line route located in the MoKan right of way. This tract is strategically located to effectively support the construction staging and storage needs for each of these major projects.</p> <p>The laydown yard lease is needed to ensure timely delivery of these project improvements. Delaying these critical system improvements could result in thermal overloading and tripping of several key transmission system elements causing cascading overloads, a risk of service interruptions, and/or outages, as well as subsequent scheduling and project cost increases.</p>					