



Austin City Council MINUTES

WORKSESSION
WEDNESDAY, JULY 15, 1998

Mayor Watson called the meeting to order, noting the temporary absence of Councilmember Spelman and the absence of Mayor Pro Tem Garcia.

BOARD AND COMMISSION REPORTS

1. ELECTRIC UTILITY COMMISSION – Teresa Reel, Chair
Presentation given by Milton Lee.
2. RESOURCE MANAGEMENT COMMISSION – Peter Pfeiffer, Chair
No presentation given.
3. CITIZENS' BONDS ADVISORY COMMITTEE
Presentation given by Rev. Joseph Parker. Certificates of Appreciation given to all members of the Citizens' Bonds Advisory Committee i.e.: Paul Hofman, Rev. Joseph Parker, Marta Cotera, Johnny Limon, Mary Arnold, Dr. Ricardo Romo, Frances Betts, Clare Berry, Sinclair Black, Betty Brown, Cheryl Nelson-Cole, Barbara Epstein, Stella Fabian, Blanca Garcia, Mark Niblick, Barbara Silverstein, Bill Stokes, Barbara Wilson, Chip Wolf and Ron Yam. Mina Clark, Mel Waxler, Lynn Sisney and Georgia Sanchez were recognized for all their help .

BRIEFINGS

4. MONTHLY AUSTIN ENERGY MANAGEMENT REPORT
Presentation given by Milton Lee and Steve Barkley.
5. Year 2000 (Councilmember William Spelman and Mayor Kirk Watson)
Presentation given by Linda Beth Brady.

CITIZEN's COMMUNICATION: GENERAL

READING OF CONSENT AGENDA

READING OF DISCUSSION AGENDA

CITIZEN's COMMUNICATION: CONSENT AGENDA

ACTION ON CONSENT AGENDA

PREVIEW OF ITEMS FOR NEXT COUNCIL MEETING

6. Review of Proposed Agenda Items from the City Manager for July 23, 1998.
7. Review of Proposed Agenda Items from Council for July 23, 1998.
8. Discuss and identify consent and discussion agenda items for the July 16, 1998 Council meeting agenda. (Agenda for July 16, 1998 is attached and incorporated by reference.)
Items pulled for discussion are as follows: 11, 12, 13, 15, 17, 22, 23, 24 and 30.
9. Set Time Certain, if necessary, for agenda items on the July 16, 1998 Agenda.

Public Works

10. Set a public hearing to receive public input on the September 26, 1998 Bond Election. (Suggested date and time: July 23, 1998 at 6:00 p.m.)
Resolution 980715-10 approved

Austin Energy

11. Approve a resolution authorizing execution of a contract with AMERICAN POWER SERVICES, Erlanger, Kentucky, for retubing and modification of feedwater heaters used in the power plant steam cycle to increase thermal efficiency at the Holly Power Plant, in the amount of \$168,672. (Funding was included in the 1997-98 Operating budget of Austin Energy.) Low bid of two. No M/WBE Subcontracting opportunities were identified. [Recommended by Electric Utility Commission]
Resolution No. 980715-11 approved
12. Approve a resolution authorizing execution of a two year revenue agreement with AUSTIN METAL AND IRON COMPANY, INC., Austin, Texas, for the sale of scrap metal (batteries, tin, mixed iron, steel cable, brass, cable lead, copper bare, insulated copper and aluminum) accumulated by Austin Energy, Water and Wastewater, Public Works and Financial Services Departments, in an estimated amount of \$301,560 with three one year extension options in an estimated amount of \$150,780 per extension option, for a total estimated revenue amount of \$753,900. Single bid. No M/WBE Subcontracting opportunities were identified. [Recommended by Electric Utility Commission]
Resolution No. 980715-12 approved

13. Approve a resolution authorizing execution of a twelve month supply agreement with MILLER UNIFORMS AND EMBLEMS, Austin, Texas, to provide cotton work shirts for field personnel of Austin Energy, in an amount not to exceed \$56,155 with two twelve month extension options in an amount not to exceed \$56,155 per extension, for a total contract amount not to exceed \$168,465. (Funding in the amount of \$14,039 was included in the 1997-98 operating budget of Austin Energy. Funding for the remainder of the contract and the extension options is contingent upon available funding in future budgets.) Single bid. No M/WBE Subcontracting opportunities were identified. [Recommended by Electric Utility Commission]

Resolution No. 980715-13 approved

14. Approve a resolution authorizing execution of four twelve month supply agreements for the purchase of underground electrical supplies with PRIESTER-MELL AND NICHOLSON, Austin, Texas, in an amount not to exceed \$108,513; POWER SUPPLY, INC., Austin, Texas, in an amount not to exceed \$76,535; TECHLINE, INC., Austin, Texas, in an amount not to exceed \$23,257; and PRIESTER SUPPLY COMPANY, INC., Austin, Texas, in an amount not to exceed \$23,262, with two twelve month extension options in amounts not to exceed \$108,513, \$76,535, \$23,257, \$23,262 respectively per extension, for total contract amounts not to exceed \$325,539, \$229,605, \$69,771, and \$69,786 respectively. (Funding in the amount of \$57,892 was included in the 1997-98 Operating budget of Austin Energy. Funding for the remainder of the contract and the extension options is contingent upon available funding in future budgets.) Low bids of eight meeting specifications. No M/WBE Subcontracting opportunities were identified for these contracts. [Recommended by Electric Utility Commission]

Resolution No. 980715-14 approved

Items 10 through 14 approved on Councilmember Griffith's motion, Councilmember Spelman's second, 6-0 vote, Mayor Pro Tem Garcia absent.

15. Approve a resolution authorizing execution of a twelve month supply agreement with WAUKESHA ELECTRIC SYSTEMS, Goldsboro, North Carolina, for the purchase of power transformers, in an amount not to exceed \$5,215,529 with three twelve month extension options in an amount not to exceed \$5,215,529 per extension, for a total contract amount not to exceed \$20,862,116. (Funding in the amount of \$1,303,881 was included in the 1997-98 Capital budget of Austin Energy. Funding for the remainder of the contract and the extension options is contingent upon available funding in future budgets.) Low responsive bid of nine. No M/WBE Subcontracting opportunities were identified. [Recommended by Electric Utility Commission]

Pulled

16. Approve a resolution authorizing execution of a contract with JOHNSTON PUMP COMPANY, Houston, Texas, for the impeller repair of circulating water pumps at the Holly Power Plant, in the amount of \$99,838. (Funding was included in the 1997-98 Operating budget of Austin Energy. Low bid of five. No M/WBE Subcontracting opportunities were identified. [Recommended by Electric Utility Commission]

Resolution No. 980715-16 approved

17. Approve a resolution authorizing execution of three twelve month supply agreements for the purchase of various types of substation relays to provide breaker failure protection with RFL ELECTRONICS, Boonton Township, New Jersey, in an amount not to exceed \$134,676; POWER SUPPLY, INC., Austin, Texas, in an amount not to exceed \$92,400; SCHWEITZNER ENGINEERING, Houston, Texas, in an amount not to exceed \$76,605; with two twelve month extension options not to exceed \$134,676, \$92,400, and \$76,605 respectively per extension, for total contract amounts of \$404,028, \$277,200 and \$229,815 respectively. (Funding in the amount of \$76,195 was included in the 1997-98 Operating budget of Austin Energy. Funding for the remainder of the contract and the extension options is contingent upon available funding in future budgets.) Low bids of four meeting specifications. No M/WBE Subcontracting opportunities were identified for these contracts. [Recommended by Electric Utility Commission]

Resolution No. 980715-17 approved

Items 16 and 17 approved on Councilmember Griffith's motion, Councilmember Spelman's second, 6-0 vote, Mayor Pro Tem Garcia absent.

18. Approve a resolution authorizing execution of twenty-four month service agreements for utility line clearance, tree pruning and right-of-way maintenance with DAVEY TREE SURGERY COMPANY, Livermore, California, in an amount not to exceed \$18,173,812; and ASPLUNDH TREE EXPERT COMPANY, Corpus Christi, Texas, in an amount not to exceed \$18,173,812, for total contract amounts of both contracts not to exceed \$18,173,812, with three twelve month extension options in an amount not to exceed \$9,086,906 per extension for each contractor and both agreements, for a total amount not to exceed \$45,396,835 for each contractor and both agreements. (Funding in the amount of \$1,033,333 was included in the 1997-98 operating budget of Austin Energy; \$5,773,812 was included in the 1997-98 Capital budget of Austin Energy; Funding for the remainder of the contract and the extension options is contingent upon available funding.) Low bids of four. M/WBE Subcontractor participation: Davey Tree Surgery Company (7.82% MBE, 15% WBE); Asplundh Tree Expert Company (14.1% MBE, 15.02% WBE). [Recommended by Electric Utility Commission]
Postponed for one week to July 23, 1998 on Councilmember Lewis' motion, Councilmember Griffith's second, 6-0 vote, Mayor Pro Tem Garcia absent.

19. Approve a resolution authorizing execution of three twelve month supply agreements for the purchase of substation transmission insulators with TECHLINE, INC., Austin, Texas, in an amount not to exceed \$204,430; PRIESTER SUPPLY COMPANY, INC., Austin, Texas, in an amount not to exceed \$46,915; and POWER SUPPLY, Austin, Texas, in an amount not to exceed \$14,688; with two twelve month extension options not to exceed \$204,430, \$46,915, and \$14,688 respectively per extension, for total contract amounts of \$613,290, \$140,745, and \$44,064 respectively. (Funding in the amount of \$66,508 was included in the 1997-98 Operating budget of Austin Energy. Funding for the remainder of the contract and the extension options is contingent upon available funding in future budgets.) Low bids of four. No M/WBE Subcontracting opportunities were identified for these contracts. [Recommended by Electric Utility Commission]

Resolution No. 980715-19 approved

20. Approve a resolution authorizing negotiation and execution of twelve additional Master Power Purchase and Sales Contracts with qualified electric utilities, independent power producers and

power marketers for short term unplanned power purchases. (No fiscal impact.) [Recommended by Electric Utility Commission]

Resolution No. 980715-20 approved

21. Approve a resolution authorizing negotiation and execution of an amended and extended rail transportation contract among Austin Energy, the Lower Colorado River Authority and Union Pacific Railroad Company for the delivery of coal to the Fayette Power Project for a term of five years ending March 31, 2004. (Funds will be provided from the Utility Fuel Charge revenue.) [Recommended by Electric Utility Commission] **(Related to Item 24)**

Resolution No. 980715-21 approved

22. Approve a resolution authorizing the sale of Elm Ridge Phase 1-B, a subdivision in Bastrop County, Texas as described on the map or plat thereof recorded in the Bastrop Plat Records at Plat Cabinet #2, Pages 301A-302A, less and except Lots 1 through 14 Block E, and lots 36 through 39, Block A, to Evergreen Homes, Inc., Austin, Texas, in the amount of \$150,000. [Recommended by Electric Utility Commission]

Resolution No. 980715-22 approved

23. Approve a resolution authorizing modification #3 of the twelve month supply agreement with HIGH VOLTAGE SUPPLY, INC., (WBE/FR), Dallas, Texas, for the purchase of extra low resistance contacts for transformers, in the amount of \$75,016, for a total contract amount of \$325,069. (Funding is available in the 1997-98 Operating budget of Austin Energy.) No M/WBE Subcontracting opportunities were identified.

Resolution No. 980715-23 approved

Items 19 through 23 approved on Councilmember Griffith's motion, Councilmember Spelman's second, 6-0 vote, Mayor Pro Tem Garcia absent.

EXECUTIVE SESSION (No Public Discussion on These Items) [1:30 p.m. – TIME CERTAIN]

Executive session held at 1:49 p.m. to 3:09 p.m.

The City Council will announce it will go into Executive Session, if necessary, pursuant to Chapter 551 of the Texas Government Code, to receive advice from Legal Counsel, to discuss matters of land acquisition, litigation and personnel matter specifically listed on this agenda. The City Council may also announce it will go into Executive Session, if necessary, to receive advice from Legal Counsel regarding any other item on this agenda.

Private Consultation with Attorney – Section 551.071

24. Discuss legal issues concerning amendment and extension of rail transportation contract with Union Pacific Railroad for delivery of coal to the Fayette Power Project. **(Related to Item 21)**

Staff Briefing – Section 551.075

25. Staff briefing regarding Deregulation in the Electric Utility Industry.

ADJOURNED at 4:05 p.m. on Councilmember Slusher's motion, Councilmember Griffith's second, 6-0 vote, Mayor Pro Tem Garcia absent.

Approved on this the 23rd day of July, 1998 on Councilmember Goodman's motion, Councilmember Spelman's second, Mayor Watson and Councilmember Griffith off the dais.