



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 4
AGENDA DATE: Thu 03/11/2004
PAGE: 1 of 1**

SUBJECT: Approve negotiation and execution of a contract with Dorothy Weaver, Austin, Texas, for the purchase, including closing costs and moving expenses related to the house and lot located at 3308 South Second, in an amount not to exceed \$170,000. The property is to be used for the reconstruction of a Austin Energy's Cardinal Lane Substation located at Cardinal Lane and South 5th Streets.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2003-2004 Approved Capital Budget of the Electric Utility Department.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Austin Energy
DEPARTMENT:

**DIRECTOR'S
AUTHORIZATION:** Juan Garza

FOR MORE INFORMATION CONTACT: Judy Fowler, Public Involvement & Real Estate, 322-6107

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

Austin Energy desires to enter into negotiation and execution of a contract for the purchase the house and lot at 3308 South Second Street, Austin, Texas, occupied and owned by Dorothy Weaver, for the reconstruction of its Cardinal Lane Substation in an amount not to exceed \$170,000 including closing costs and moving expenses. The contract price of \$160,000 is supported by an appraisal by Atrium Real Estate Services. The balance is for closing costs and relocation expenses.

Austin Energy must upgrade the Cardinal Lane Substation, which was built in 1951. It is one of Austin Energy's older substations, and has extremely old transformers. As the current substation property exists, there is not enough room to upgrade the transformers and maintain some level of service from the substation, nor is there room in the existing substation for a mobile substation, to provide back-up in case of the loss of a transformer. If Austin Energy purchases the adjacent property, it will have enough room to add new equipment to the substation, replace aging equipment, and still maintain adequate capacity to service the growing demand in that area.

Additionally, Austin Energy recently agreed to eliminate the Zilker Substation and must ensure that adequate capacity from the Cardinal Lane Substation is available, along with the Seaholm Substation, to serve the area previously served by the Zilker Substation.



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CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION:

3/11/2004

WHERE ON AGENDA:

Resolution

DEPARTMENT:

Electric Utility Department

SUBJECT: Approve negotiation and execution of a contract with Dorothy Weaver, 3308 South Second Street, Austin, Texas, for the purchase, including closing costs and relocation expenses, of the house and lot located at 3308 South Second, in an amount not to exceed \$170,000.00. The property is to be used for the reconstruction of a Austin Energy's Cardinal Lane Substation located at Cardinal Lane and South 5th Streets.

FINANCIAL INFORMATION:

Parent Project Name: **Distribution Substation**
Project Authorization: 2003-2004 Approved Capital Budget

Current Appropriation	\$ 60,753,349.00	
Unencumbered Balance		\$ 18,142,228.31
Amount of This Action		<u>(40,800.00)</u>
Remaining Balance		<u><u>\$ 18,101,428.31</u></u>

Use of Remaining Balance:

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

Use of Any Remaining Funds After Completion of Project:

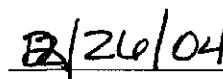
No remaining funds anticipated at this time.

Director, Planning and Budget

Signature: _____



Date: _____



CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION:

3/11/2004

WHERE ON AGENDA:

Resolution

DEPARTMENT:

Electric Utility Department

SUBJECT: Approve negotiation and execution of a contract with Dorothy Weaver, 3308 South Second Street, Austin, Texas, for the purchase, including closing costs and relocation expenses, of the house and lot located at 3308 South Second, in an amount not to exceed \$170,000.00. The property is to be used for the reconstruction of a Austin Energy's Cardinal Lane Substation located at Cardinal Lane and South 5th Streets.

FINANCIAL INFORMATION:

Parent Project Name: **Transmission**

Project Authorization: 2003-2004 Approved Capital Budget

Current Appropriation	\$ 127,475,734.00	
Unencumbered Balance		\$ 21,609,002.50
Amount of This Action		<u>(129,200.00)</u>
Remaining Balance		<u><u>\$ 21,479,802.50</u></u>

Use of Remaining Balance:

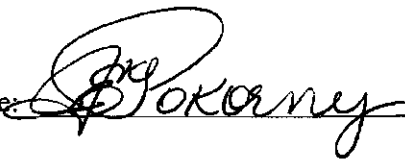
Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

Use of Any Remaining Funds After Completion of Project:

No remaining funds anticipated at this time.

Director, Planning and Budget

Signature: _____



Date: _____

2/26/04