



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

**AGENDA ITEM NO.: 2
AGENDA DATE: Thu 10/28/2004
PAGE: 1 of 2**

SUBJECT: Approve negotiation and execution of an amendment to the 1973 agreement with the LOWER COLORADO RIVER AUTHORITY (LCRA), Austin, TX, for the reconstruction of the transmission circuit from Barton Substation to the Commons Ford break-off which resides on towers shared by Austin Energy and the LCRA. Austin Energy's portion of the costs for the reconstruction project shall not exceed \$2,360,000.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$2,360,000 is available in the 2004-2005 Approved Capital Budget of Austin Energy.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Austin Energy
DEPARTMENT:

**DIRECTOR'S
AUTHORIZATION:** Juan Garza

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

PRIOR COUNCIL ACTION: 4/12/73 - Council approved Resolution 730412-1 authorizing agreement with LCRA.

BOARD AND COMMISSION ACTION: Recommended by the Electric Utility Commission

PURCHASING: N/A

MBE / WBE: N/A

As part of a 1973 agreement with the Lower Colorado River Authority (LCRA), Austin Energy (AE) obtained the right to build at its expense transmission structures and accompanying circuits on the LCRA's right-of-way (ROW) from HiCross Substation in southeast Austin to a point 9.75 miles northwest, passing through AE's Barton Substation and ending near AE's Commons Ford Substation. The agreement provided for LCRA to also have its circuit on the transmission structures and it called for the structures to be offset from the ROW centerline to provide space for the possible future construction by AE of a separate transmission line. The agreement also stipulated the structures AE built must be able to accommodate up to a certain type of 795 bundled conductor. In addition, the agreement stipulated how the costs of any future construction would be allocated between the two parties.

This year, the LCRA indicated a need to upgrade its circuit conductors to the level provided for in the 1973 Agreement. Upon review, AE and the LCRA mutually determined that the existing structures could not accommodate the required conductor. In addition, because the structures were offset on the ROW, now on occasion the lines extend over nearby housing that has developed in the area since 1973. During the review process, AE also determined there is no longer a projected need to build a second transmission line along the same corridor for system reliability. Based on these facts, AE and LCRA are seeking to amend the 1973 Agreement to provide for the following:

- From the AE Barton Substation located on Capital of Texas Highway to the Commons Ford



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break-off, which is near a subdivision called Rob Roy on the Creek, new transmission structures to accommodate the required conductor will be built on the centerline of the LCRA's ROW, replacing the older 1973 structures. At Rob Roy on the Creek, AE and the

LCRA separate and AE proceeds into the Commons Ford Substation located on FM 2244 and River Hills Road.

- AE and LCRA will each pay 50% of the installed costs of this new construction and will therefore each own an undivided 50% in the new structures. Each party will own 100% of its respective new circuits including the bundled conductor and related equipment.
- LCRA will be responsible for the construction process, including but not limited to costs of public involvement activities, ROW clearing and construction access costs.

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION:

10/28/2004

WHERE ON AGENDA:

Resolution

DEPARTMENT:

Austin Energy

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FINANCIAL INFORMATION:

Parent Project Name: **Transmission**
Project Authorization: 2004-2005 Approved Capital Budget

Current Appropriation	\$ 131,475,734.00	
Unencumbered Balance		\$ 12,338,577.32
Amount of This Action		<u>(2,000,000.00)</u>
Remaining Balance		<u>\$ 10,338,577.32</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: _____

10/7/04