

A U S T I N C I T Y C O U N C I L

AGENDA



Thursday, August 31, 2006

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Austin Energy RECOMMENDATION FOR COUNCIL ACTION

ITEM No. 5

Subject: Authorize negotiation and execution of a cost reimbursement agreement with SOUTHWEST EDUCATIONAL DEVELOPMENT LAB (SEDL), Austin, TX, for the purchase and installation of heat exchangers and associated piping needed to interconnect the new SEDL facility to Austin Energy's Mueller Cooling Heating and Power (CHP) plant in an amount not to exceed \$334,743.

Amount and Source of Funding: Funding in the amount of \$334,743 is available in the Fiscal Year 2005-2006 Capital Improvement Budget.

Fiscal Note: A fiscal note is attached.

Additional Backup Material

(click to open)

- ☐ Fiscal Note
- ☐ Vote

For More Information: Cliff Braddock, Director, Energy Business Development / 322-6302

Boards and Commission Action: Recommended by the Electric Utility Commission.

Austin Energy is negotiating an agreement with SEDL to provide Austin Energy's chilled water-cooling services for SEDL's new building at the Mueller Redevelopment site in Austin. To assure maximum reliability of services for its customer, Austin Energy will own and maintain the heat exchangers and related equipment that is necessary for delivery of the service. Therefore, to complete the interconnection between the district cooling system and the customer's building, and to maximize efficiencies, Austin Energy will reimburse costs that the building owner incurs to install heat exchangers and related piping and equipment in the amount not to exceed \$334,743.

This RCA is to seek authorization for Austin Energy to complete the purchase of the heat exchanger(s) and related piping as well as to reimburse customer. Austin Energy will recover the cost for these reimbursable items as a part of the multi-year chilled water services agreement negotiated between Austin Energy and SEDL. To complete this project, Austin Energy will need to extend its district cooling system piping to this location, which will be done through a separate piping installation contractor.

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION:

8/31/2006

WHERE ON AGENDA:

Resolution

DEPARTMENT:

Austin Energy

SUBJECT: Authorize negotiation and execution of a contract for reimbursement of costs to SOUTHWEST EDUCATIONAL DEVELOPMENT LAB (SEDL), Austin, TX, for the purchase and installation of heat exchanger(s) and associated piping needed to interconnect the new SEDL facility to Austin Energy's Mueller Cooling Heating and Power (CHP) plant in an amount not to exceed \$334,743.

FINANCIAL INFORMATION:

Parent Project Name: **Non-Electric Plant Assets - Chillers**
Project Authorization: 2005-2006 Amended Capital Budget

Current Appropriation	\$ 116,067,916.00	
Unencumbered Balance		\$ 14,248,910.66
Amount of This Action		<u>(334,743.00)</u>
Remaining Balance		<u><u>\$ 13,914,167.66</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.

Manager Budget

Signature: Noreen Gleeson Date: 08/23/2006



Electric Utility Commission
July 17, 2006
Meeting

Reimbursement of costs to SOUTHWEST EDUCATIONAL DEVELOPMENT LAB. (SEDL), Austin, TX, for the purchase and installation of heat exchanger(s) and associated piping needed to interconnect the new SEDL facility to Austin Energy's Mueller Cooling Heating and Power plant (\$335K).

Motion by: Fath

Seconded by: Owens

Ayes: Fath, Owens, Schmandt, Sessa and Shaw

Nays: NONE

Abstaining: NONE

Off the dais: NONE

Absent: Knaupe, Skeith and Weston

The Commission approved this item, 5-0.