



# Austin City Council MINUTES

For JUNE 26, 1990 - MEETING AS ELECTRIC UTILITY BOARD OF DIRECTORS

Council Chambers, 307 West Second Street, Austin, Texas

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Mayor Cooke called to order the meeting of the Council, meeting as the Electric Utility Board of Directors. He noted the absence of Councilmembers Barnstone, Carl-Mitchell and Nofziger.

## REPORTS HEARD

Council heard the reports from the Electric Utility Commission and the Resource Management Commission.

## CITY MANAGER REPORTS

John Moore, Director of Electric Utility, gave the Monthly Management Report (Fiscal, Operations, Fuel). The Monthly Utility Receivable Report was also heard.

## CONSENT RESOLUTIONS

The Council, on Councilmember Urdy's motion, Councilmember Larson's second, adopted the following resolutions all in one consent motion: (4-0 Vote, Councilmembers Barnstone, Carl-Mitchell and Nofziger absent)

### Contracts

- Approved a contract award to PRIESTER-MELL & NICHOLSON, INC., 601 East 6th Street, Austin, Texas, for the purchase of transmission line conductor in an amount not to exceed \$130,977.60.

- Approved a contract award to WM POWER PRODUCTS, INC., 512 Keystone Dr., Warrendale, Pa., for the purchase of four substation capacitor bank switching devices for an amount not to exceed \$123,600.

- Approved a one-year program for the purchase of spot market gas for use in the City's electric generating plants by awarding one-year supply contracts to the following twelve firms. The program has a total estimated cost not to exceed \$4.0 million. The program is expected to save approximately \$300,000.00 on fuel costs through June, 1991.

Women's Natural Gas Corp. - Austin  
U.S. Gas Transportation, Inc. - Dallas  
Meridian Oil Trading, Inc., - Houston  
TEX/CON Gas Marketing, Co. - Houston  
Mobil Natural Gas, Inc. - Houston

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Continental Natural Gas, Inc. - Tulsa  
Gulf Energy Marketing Co. (Tejas) - Houston  
Reata Industrial Gas L.P. - Houston  
Trinity Pipeline, Inc. - Dallas  
Excel Resources, Inc. - Houston  
Anthem Energy, Co. - Houston

Approval of these 12 contract includes an initial purchase of spot gas, in an estimated total amount of \$443,400, from Women's Natural Gas Corp., Austin, Texas, and U.S. Gas Transportation, Inc., Dallas, Texas, during the month of July.

- Approved a six month Supply Agreement contract for miscellaneous electrical utility items to PRIESTER-MELL & NICHOLSON, Austin, Texas in the total amount not to exceed \$64,560 with the option to extend for two additional six month periods in the dollar amount of \$64,560 per extension period for a grand total amount not to exceed \$193,690.

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The Council, on Councilmember Urdy's motion, Councilmember Larson's second, adopted a resolution approving a contract award to DEAN JOHNSTON, INC., P.O. Box 2153, Austin, Texas, for the purchase of an uninterruptible power supply system for the new energy control center in an amount not to exceed \$149,474. (4-0 Vote, Councilmembers Barnstone, Carl-Mitchell and Nofziger absent)

The Council, on Councilmember Urdy's motion, Mayor Cooke's second, adopted a resolution approving a contract award to COOPER SYSTEMS C/O SOUTHWAY ELECTRIC UTILITY SERVICE, INC., 9705 Beck Circle, Austin, Texas, for the purchase of four substation capacitor banks in an amount not to exceed \$308,284. (4-0 Vote, Councilmembers Carl-Mitchell, Barnstone and Nofziger absent)

#### EXECUTIVE SESSION

Mayor Cooke announced Council would enter into executive session, pursuant to Article 6252-17, Texas Revised Civil Statutes Annotated, to discuss matters of land acquisition, litigation and for personnel matters. No final action, decision or vote by the City Council will be taken on any subject or matter unless specifically listed on the agenda for this meeting.

#### Pending Litigation - Section 2, Paragraph e

(a) Briefing and discussion of Texas Railroad Commission Rule 37, Case No. 107,119, Application of Gemini Exploration Company for an exception permit affecting Fayette Power Plant lands.

#### RECESS

Council recessed its meeting for executive session and then resumed its recessed meeting.

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**SETTLEMENT**

The Council, on Councilmember Urdy's motion, Councilmember Larson's second, adopted a resolution approving the settlement agreement with Gemini Exploration Company, which includes amending certain existing Fayette Power Plant oil and gas leases, and entering into a new lease covering approximately 534 acres with Gemini Exploration Company. (4-0 Vote, Councilmembers Barnstone, Carl-Mitchell and Nofziger absent)

**DECOMMISSIONING ITEMS POSTPONED**

Postponed to July 12, 1990 were three items concerning South Texas Project Decommissioning: an ordinance revising the financial management policy for the City of Austin which allows for the establishment of a Decommissioning Trust Fund for the South Texas Project; establishment of a funding plan for decommissioning of STP to be filed with the Nuclear Regulatory Commission pursuant to federal regulations; and approval of a trustee for STP Decommissioning Trust Fund.

**ADJOURNMENT**

Council adjourned its meeting at 4:28 P.M.