

## AGENDA



Thursday, April 29, 2010

**Contract and Land Management  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 14**

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**Subject:** Authorize negotiation and execution of amendments as required for construction phase services with DPR Construction, Inc., Austin, TX (Construction Manager at Risk) for Austin Energy's System Control Center for an estimated construction budget not to exceed \$67,000,000.

**Amount and Source of Funding:** Funding in the amount of \$64,500,000 is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy. Funding in the amount of \$2,500,000 for the related warranty agreements (an operating budget expenditure) for the remainder of the contract is contingent upon available funding in future budgets.

**Fiscal Note:** Fiscal notes are attached.

**For More Information:** Laura Lee Franks 322-6854; Rosie Truelove 974-3064; April Thedford 974-7141

**MBE/WBE:** This contract and future amendments will be awarded in compliance with Chapter 2-9A of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program).

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

**Prior Council Action:** March 5, 2009 – Authorized Construction Manager at Risk contract for pre-construction phase services.

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In October 2005, the City Manager was directed by City Council to relocate the existing Energy Control Center (ECC) from its West Avenue location so that the property could be incorporated into the Seaholm and downtown redevelopment efforts. In July 2007, Austin Energy purchased an existing building and surrounding 12 acres from Tokyo Electron, located at 2500 Montopolis Drive, with the objective of using this property for the ECC relocation project. The new facility, the System Control Center (SCC), will house current ECC employees as well as several other compatible workgroups within Austin Energy.

DPR Construction, Inc., the Construction Manager-at-Risk (CM@R) for the remodel and development of the new SCC, is actively engaged in preconstruction phase services including constructability reviews, value engineering, and cost estimating. The CM@R anticipates three to four contract amendments for construction phase services over the next six months.

This authorization provides staff with authority to proceed as required with negotiating proposals and executing amendments for construction phase services to the Construction Manager at Risk Agreement for a total estimated construction budget not to exceed of \$67,000,000.

Future amendments anticipated include demolition, purchase of long-lead equipment items, and construction of the SCC. This approach will allow Austin Energy to maintain the overall project schedule. Without this authority, the project schedule would suffer at least a three month delay which would negatively impact the budget and delay vacating the current ECC site on West Avenue.

MBE/WBE participation goals of 1.45% African American, 3.60% Hispanic, 1.32% Native/Asian American, and 1.98% WBE have been established by the Small and Minority Business Resources Department for construction phase services. Each negotiated amendment will require inclusion of an approved Compliance Plan.

The SCC will be built to LEED Silver U.S. Green Building Council standards and, when complete, will have approximately 185,000 square feet of usable space. This facility will provide the utility with state of the art control and data centers needed to meet North American Reliability Corporation (NERC) standards. Additionally, the SCC will provide laboratory and development spaces required to support advancement of the Smart Grid and will meet current standards for physical security appropriate to the industry.

Solar equipment will be installed as part of the SCC project and will meet or exceed Austin Energy program requirements. The final design and configuration will be determined during the final design and bidding phase of the project. Austin Energy anticipates the solar equipment to generate a total of 500 kW of power.

This energy improvement will generate an estimated 681,500 kWh per year—enough to provide electricity to 60 average Austin homes for a year—and produce an estimated 681.5 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 10,513 trees or 526 acres of forest in Austin's parks or the removal of 918,787 vehicle miles or 78.4 cars from Austin roadways. This project will avoid 409.2 metric tons of carbon dioxide (CO<sub>2</sub>); 569 pounds of sulfur dioxide (SO<sub>2</sub>); 629 pounds of nitrogen oxide (NO<sub>x</sub>), and 437 pounds of carbon monoxide (CO) emissions, based on Austin Energy emissions estimates.

This project supports Austin Energy's commitment to renewable energy as stated in Austin Energy's 2003 Strategic Plan and the Austin Climate Protection Plan. The Strategic Plan calls for Austin Energy to implement a highly visible public awareness and education program involving the installation of photovoltaic projects at schools, libraries, community centers, and city buildings.