



Recommendation for Action

File #: 21-3478, **Agenda Item #:** 19.

12/2/2021

Posting Language

Authorize negotiation and execution of an amendment to a contract with Texas Electric Cooperatives for the continued purchase of electric meters for use throughout the Austin Energy service area, to increase the amount by \$10,000,000 and to extend the term by 18 months, for a revised total contract amount not to exceed \$40,000,000.

(Note: This contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this contract, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$6,111,111 is available in the Fiscal Year 2021-2022 Capital Budget for Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

March 23, 2017 - Council approved the original contract, item 34, on an 8-0 vote with Council Member Troxclair abstaining and Council Members Casar and Garza off the dais.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>> or to DeJuan Brown, at 512-322-6472 or DeJuan.Brown@austintexas.gov <<mailto:DeJuan.Brown@austintexas.gov>>.

Council Committee, Boards and Commission Action:

November 8, 2021 - Unanimously recommended by the Electric Utility Commission on an 8-0 vote with Chair Hopkins absent and two vacancies.

Additional Backup Information:

The proposed amendment will provide Austin Energy with additional funding and time to complete planned and emergency distribution projects.

The contract is for commercial and residential electric meters to be deployed throughout Austin Energy's

service area on an as needed basis. The meters provide electric service to new customers in response to growth and maintenance needs. Additionally, these meters streamline metering operations to reduce costs for Austin Energy and support Austin Energy's strategic goals and objectives regarding system reliability, outage management, reduction of greenhouse gas emissions, and safety.

Contract Detail:

| <u>Contract Term</u> | <u>Length of Term</u> | <u>Current Contract Authorization</u> | <u>Requested Additional Authorization</u> | <u>Revised Total Authorization</u> |
|---------------------------------|----------------------------------|--|--|---|
| Original Term | 60 mos. | \$30,000,000 | | \$30,000,000 |
| Proposed Amendment | 18 mos. | | \$10,000,000 | \$10,000,000 |
| TOTAL | 78 mos. | \$30,000,000 | \$10,000,000 | \$40,000,000 |

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Strategic Outcome(s):

Government that Works for All.