



**Outside Counsel  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 7  
AGENDA DATE: Thu 06/09/2005  
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**SUBJECT:** Authorize execution of a legal services agreement with WATSON BISHOP LONDON BROPHY, P.C., Austin, TX relating to negotiation of the development of the Seaholm Power Plant, grounds, and adjacent property, located on Cesar Chavez between Lamar Boulevard and Guadalupe Street west of the Green Water Treatment Plant, in an amount not to exceed \$350,000.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$100,000 is available in the Fiscal Year 2004-2005 Approved Operating Budget of Economic Growth and Redevelopment Services Office. Funding for contract costs to be incurred in future fiscal years is contingent upon available funding in future budgets.

**FISCAL NOTE:** There is no unanticipated fiscal impact. A fiscal note is not required.

**REQUESTING Law  
DEPARTMENT:**

**DIRECTOR'S  
AUTHORIZATION: Marty Terry**

**FOR MORE INFORMATION CONTACT:** David Allan Smith, City Attorney / 974-2168; Alison Gallaway, Assistant City Attorney / 974-2671

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

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On April 28, 2005, Council approved entering into negotiations with Seaholm Power, LLP, Austin, TX to redevelop the Seaholm Power Plant, grounds, and adjacent property. The first step is to enter into an Exclusive Negotiating Agreement with Seaholm Power, LLP for the purpose of negotiating the terms and conditions of a Development Agreement for redevelopment of the Seaholm Power Plant, grounds, and adjacent property.

The Project includes negotiating, with a City team and legal consultants, the details of both an Exclusive Negotiating Agreement, and a Development Agreement. The negotiations during the Exclusive Negotiating Agreement period will determine, for both the City and the Developer, duties and obligations during the term of this Project. The Development Agreement will set out the details of those duties and obligations and the phasing of the Project, together with all relevant measures of performance and default, and how to proceed in the event of default.