



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 4
AGENDA DATE: Thu 11/17/2005
PAGE: 1 of 1**

SUBJECT: Authorize a change order to increase the spending authorization for the Building Purchase Agreement with DAUGHTERS OF CHARITY HEALTH SERVICES OF AUSTIN (d/b/a SETON HEALTH CARE NETWORK) related to the purchase from Seton of a structure to house energy production equipment to serve the Dell Children's Hospital, for an amount not to exceed \$2,100,000, for a total amount not to exceed \$5,100,000

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$2,100,000 is available in the Fiscal Year 2005-2006 Capital Budget of Austin Energy

FISCAL NOTE: A fiscal note is attached

REQUESTING Austin Energy
DEPARTMENT:

**DIRECTOR'S
AUTHORIZATION:** Juan Garza

FOR MORE INFORMATION CONTACT: Cliff Braddock, Director, Energy Product Sales / 322-6302, Larry Alford, Manager, DG Operations / 322-6228

PRIOR COUNCIL ACTION: 8/26/04 -- Approved original \$3M Building Purchase Agreement (Item 2), 7/29/04 - Approved \$15.5M Budget Amendment for new Seton Regional Children's Medical Hospital BCHP (Item 6), 7/29/04 - Approved \$11M design and equipment contract with Burns & McDonnell (Item 52)

BOARD AND COMMISSION ACTION: Recommended by the Electric Utility Commission

PURCHASING: N/A

MBE / WBE: N/A

Seton has designed and is presently constructing the structure that will house the BCHP system in conjunction with the construction of the Dell Children's Hospital. Through the Council approved Building Purchase Agreement, Austin Energy will acquire ownership of the structure following its completion by reimbursement to Seton for the construction costs.

A relocation of the building increased the cost of the structure due to an extension of the two 30-inch chilled water lines and utilities, increased concrete slab dimensions and design requirements, compliance with a wall design surrounding the equipment that blends the structure architecturally with the hospital and surrounding structures, which includes an increased cost of structural steel and the required masonry wall coverage, and incorporation of an artfully presented educational display. These adjustments have increased the cost of the structure by \$2.1 million over the original construction estimate of \$3 million.

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

11/17/2005
Resolution
Austin Energy

SUBJECT: Authorize a change order to increase the spending authorization for the Building Purchase Agreement with DAUGHTERS OF CHARITY HEALTH SERVICES OF AUSTIN (d/b/a SETON HEALTH CARE NETWORK [Seton]) related to Austin Energy's Building Purchase Agreement to purchase from Seton a structure to house the necessary energy production equipment to serve the Dell Children's Hospital, in an amount of \$2,100,000, for a total not to exceed amount of \$5,100,000

FINANCIAL INFORMATION:

Parent Project Name	Power Production
Project Authorization	2005-2006 Approved Capital Budget

Current Appropriation	\$ 342,244,135 00	
Unencumbered Balance		\$ 18,293,954 48
Amount of This Action		<u>(2,100,000 00)</u>
Remaining Balance		<u>\$ 16,193,954 48</u>

Use of Remaining Balance

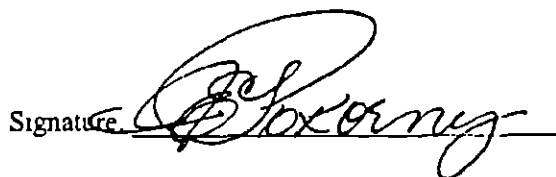
Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project

Use of Any Remaining Funds After Completion of Project

No remaining funds anticipated at this time

Director, Planning & Budget

Signature



Date

10/27/05