



Electric Utility Commission

May 19, 2014

Minutes

The Electric Utility Commission (EUC) convened in a regularly-scheduled meeting in the Shudde Fath Conference Room at 721 Barton Springs Road in Austin, Texas.

The meeting was called to order by Chair Bernfeld at 6:02 p.m.

Commissioners Hadden Butler, Fath, Heidebrecht and Shaw were also in attendance.

Commissioner Rai was absent.

1. **APPROVAL OF MINUTES** - Approve minutes of the April 21, 2014 regular meeting.
Motion to approve regular meeting minutes (Fath); seconded (Shaw); passed on vote of 6-0.

2. **CITIZEN COMMUNICATIONS:** (*Ross Smith; Roger Borgelt - #22*)

NEW BUSINESS – CONSENT ITEMS (Targeted Council Date)

Motion to recommend approval of consent agenda Items 3, 5-13, 15-17, 19 & 20 (Bernfeld); seconded (Heidebrecht); passed on vote of 6-0 (with Rai absent). Following discussion on individual Items 4, 18 & 21, motion to recommend approval (Bernfeld); seconded (Fath); passed on a vote of 6-0. Following discussion on Item 14, motion to recommend approval as written (Bernfeld); seconded (Heidebrecht); passed on a vote of 5-1 (Vice Chair Hadden voting no).

3. (5/22) Authorize award and execution of contracts for light-duty vehicles through the Texas Local Government Purchasing Cooperative (BuyBoard) with CALDWELL COUNTRY CHEVROLET DBA BABY JACK II AUTOMOTIVE, LTD for the purchase of 27 light-duty vehicles in an amount not to exceed \$1,017,441; GRAPEVINE DODGE CHRYSLER JEEP, LLC DBA GRAPEVINE DCJ, LLC for the purchase of 14 light-duty vehicles in an amount not to exceed \$581,015; SILSBEE FORD, INC. for the purchase of 49 light-duty vehicles in an amount not to exceed \$1,219,628; and SILSBEE TOYOTA, INC. for the purchase of one Prius in an amount not to exceed \$23,307, for total contracts amount not to exceed \$2,841,391.
4. (5/22) Authorize award and execution of contracts for heavy-duty vehicles and equipment through the Houston-Galveston Area Council Cooperative (HGAC) with CHASTANG ENTERPRISES, INC. DBA CHASTANG FORD for the purchase of 18 heavy-duty truck chassis in an amount not to exceed \$2,834,790; SANTEX TRUCK CENTERS, LTD for the purchase of 26 heavy-duty trucks in an amount not to exceed \$2,934,592 and MAGNUM CUSTOM TRAILER MFG CO., INC. DBA MAGNUM TRAILERS for the purchase of 10 trailers in an amount not to exceed \$105,956; for total contracts amount not to exceed \$5,875,338.
5. (5/22) Authorize award and execution of contracts for heavy-duty equipment and all-terrain vehicles through the Texas Local Government Purchasing Cooperative (TXMAS) with AMERICAN MATERIAL HANDLING, INC. for the purchase of four forklifts in an amount

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not to exceed \$172,712; POLARIS SALES, INC. for the purchase of five light-duty all-terrain vehicles in an amount not to exceed \$70,044; and TIME MANUFACTURING CO. DBA VERSALIFT SOUTHWEST for the purchase of three aerial lifts in an amount not to exceed \$282,085; for total contracts amount not to exceed \$524,841.

6. (6/12) Authorize negotiation and execution of an agreement with Howdy Honda, to provide a performance-based incentive for the generation of solar energy at its facility located at 5519 E. Ben White Blvd., Austin, Texas, for an estimated \$39,356 per year, for a total amount not to exceed \$393,560 over a 10-year period.
7. (6/12) Authorize negotiation and execution of an agreement with Hanover, to provide a performance-based incentive for the generation of solar energy at its facility located at 809 South Lamar Blvd., Austin, Texas, for an estimated \$21,016 per year, for a total amount not to exceed \$210,160 over a 10-year period.
8. (6/12) Authorize negotiation and execution of an agreement with Harcon Building Ltd., to provide a performance-based incentive for the generation of solar energy at its facility located at 6601 Vaught Ranch Rd., Austin, Texas, for an estimated \$8,119 per year, for a total amount not to exceed \$81,190 over a 10-year period.
9. (6/12) Authorize negotiation and execution of an agreement with EEA Building Ltd., to provide a performance-based incentive for the generation of solar energy at its facility located at 6615 Vaught Ranch Rd., Austin, Texas, for an estimated \$8,119 per year, for a total amount not to exceed \$81,190 over a 10-year period.
10. (6/12) Approve issuance of a rebate to CWS Allandale-McKinney LP, for performing energy efficiency improvements at Austin Midtown Apartments located at 2819 Foster Lane, Austin, Texas 78757, in an amount not to exceed \$131,100.
11. (6/12) Approve issuance of a rebate to CWS Brushy Creek, LP, for performing energy efficiency improvements at The Marquis at Brushy Creek Apartments located at 15510 RR 620 North, Austin, Texas 78717, in an amount not to exceed \$123,680.
12. (6/12) Approve issuance of a rebate to Gables Residential for performing energy efficiency improvements at Central Park Apartments located at 800 West 38th St., Austin, Texas 78705, in an amount not to exceed \$136,712.
13. (6/12) Approve issuance of a rebate to Hodson Capital, LLC, for performing energy efficiency improvements at SoNA Apartment Homes located at 7900 San Felipe Blvd., Austin, Texas 78729, in an amount not to exceed \$86,100.
14. (5/22) Authorize negotiation and execution of a professional services agreement with STANLEY CONSULTANTS, INC., (staff recommendation) or one of the other qualified responders to RFQ Solicitation No. CLMP142, to provide Engineering Services for Austin Energy's Electric Service Delivery, in an amount not to exceed \$4,500,000.

15. (6/12) Authorize award and execution of a 36-month supply contract with AIRGAS INC, for the purchase of industrial gases for Austin Energy, Aviation, Fleet Services, Austin Water Utility, and Austin Police Department in an amount not-to-exceed \$679,254, with three 12-month extension options in an amount not to exceed \$226,418 each, for a total contract amount not-to-exceed \$1,358,508.
16. (6/12) Authorize award and execution of a 36-month supply contract with JAE CONSTRUCTION INC, for the purchase of substation surface rock for Austin Energy in an amount not-to-exceed \$791,043, with three 12-month extension options in an amount not to exceed \$263,681 each, for a total contract amount not to exceed \$1,582,086.
17. (6/12) Authorize award and execution of a 36-month supply contract with DEALERS ELECTRIC SUPPLY, for the purchase of Ion Meter Parts for Austin Energy in an amount not-to-exceed \$442,635, with three 12-month extension options in an amount not to exceed \$147,545 each, for a total amount not-to-exceed \$885,270.
18. (6/12) Authorize award, negotiation and execution of a contract with KEMA, INC. for consulting services for development of a strategic plan and technology assessment and roadmap for Austin Energy in an amount not to exceed \$1,400,000.
19. (6/26) Authorize award and execution of a 24-month supply contract with BRENNTAG SOUTHWEST, INC., for the purchase of sodium hypochlorite for Austin Energy in an amount not-to-exceed \$51,310, with three 12-month extension options in an amount not to exceed \$25,655 per extension option, for a total amount not-to-exceed \$128,275.
20. (6/26) Authorize award, negotiation, and execution of a 24-month requirements service contract with GP STRATEGIES CORPORATION for the purchase of website and licensing support services for the power production power plant craft and skills training & assessment program for Austin Energy in an amount not to exceed \$88,740, with two 24-month extension options in an amount not to exceed \$88,740 per extension option, for a total contract amount not to exceed \$266,220.
21. (6/12) Authorize the negotiation and execution of Amendment No. 23 to the contract with IBM Corporation for annual consumables and a software development upgrade of the Customer Care and Billing system in an amount not to exceed \$5,237,000, for a total revised contract amount not to exceed \$66,976,728.

OLD BUSINESS – DISCUSSION ITEMS

22. Line Extension Policy Update, Discussion and Possible Action
(David Wood, SrVP, Electric Service Delivery; Tommy Nylec, Power Systems Consulting Engineer, ESD; Ann Little, CFO). Motion to approve a recommendation stating “The EUC reiterates to the City Council its support for full cost recovery of electric line extension costs by Austin Energy effective October 1, 2014” (Fath); seconded (Heidebrecht); passed on a vote of 5-0 (with Butler off the dais and Rai absent). Commissioner Fath also expressed thanks to AE staff for their work on this matter.
23. Review of the 2012 Austin Energy Performance Report, available at austinenergy.com/AnnualPerformanceReport.pdf, to provide suggestions for content of the 2013 edition **No Comments**

BRIEFINGS

24. Five-Year Forecast and Possible Discussion regarding 2nd Quarter Report

(Ann Little, CFO; Russell Maenius, Director of Rates & Forecasting; Cathy Foster, Director of Accounting) Vice Chair Hadden requested more detail on the 2015 capital improvement plan (CIP) for the Fayette Power Plant and South Texas Nuclear Plant.

25. Value of Solar Methodology

(Babu Chakka, Manager, Energy Market Analysis; Danielle Murray, Solar Manager; Khalil Shalabi, VP, Market Operations & Resource Planning)

FUTURE AGENDA ITEMS

26. Discussion regarding potential future agenda items

Vice Chair Hadden reiterated her request for briefing on South Texas Project.

ADJOURNMENT- Chair adjourned the meeting at 8:10 p.m.