



MEMORANDUM

TO: Mayor and Council

CC: Spencer Cronk, City Manager
Robert D. Goode, Assistant City Manager
Mark Washington, Assistant City Manager

FROM: Jackie A. Sargent, General Manager, Austin Energy
Mark Tester, Director, Austin Convention Center

DATE: July 30, 2018

SUBJECT: Proposed Downtown District Cooling Plant 4

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Austin Energy continues to experience strong demand from customers for its District Cooling Program, especially downtown. Over the next few years, Austin Energy expects this demand to exceed the capacity of the two existing downtown plants and a third plant approved for construction by Council on April 26, 2018, and scheduled to be complete by June 2020.

Since June 2016, Austin Energy has investigated seven properties for use as a fourth district cooling plant downtown, including a City parking garage, Brush Square and several privately owned parcels. Additionally, Austin Energy communicated with eight existing or potential chilled water customers about co-locating chiller equipment within their project sites. Currently, there are no suitable sites available on the City Surplus Real Properties list.

In spring 2017, recognizing potential schedule risks for District Cooling Plant 3, Austin Energy identified two mitigation strategies to ensure customers could be served during summer 2020. The strategies include the use of temporary chillers in the right-of-way and finding an alternate site for a smaller, more modular plant. Austin Energy approached the Austin Convention Center last summer about locating a smaller, modular (and possibly interim plant) on the roof of the Convention Center. On September 28, 2017, Council approved the use of design-build

methodology for an additional downtown plant that offers design flexibility and a shorter project timeline.

Adding chiller equipment on the roof of the Convention Center is a relatively low-cost way to create more capacity to serve growing demand. The proposed plant footprint is less than 5% of the total roof area of the Convention Center. (See aerial view attached.) The location where this equipment would be installed is strategic as it will reside above the area where much of the mechanical and other back-of-the-house operations exist, and not be in proximity to exhibition, meeting, and ballroom space. In addition, due to the location above mechanical/back-of-the-house space, it would not preclude or limit any future retrofit or vertical expansion of the current facility in any way. The proposed area does not require any structural changes and provides close proximity to existing chilled water infrastructure in Red River Street. The modular approach enables Austin Energy to relocate the major components and much of the piping at a later date if needed.

As the intent is to have this proposed additional capacity available prior to the Summer of 2020, Austin Energy intends to bring forward a Recommendation for Council Action on August 23rd to proceed with the staff recommendation for the design-build team to construct a modular district cooling plant to be located on the roof of the existing Convention Center facility above the loading docks.

Please let us know if you have questions.

Austin Energy Downtown Chiller Capacity Addition Project Location

