



## Recommendation for Action

**File #:** 23-2551, **Agenda Item #:** 22.

9/14/2023

### **Posting Language**

Authorize an amendment to a contract for the continued purchase of electric meters for use throughout the Austin Energy service area with Texas Electric Cooperatives, to increase the amount by \$16,000,000 and to extend the term by one year for a revised total contract amount not to exceed \$56,000,000.

[Note: Sole source contracts are exempt from the City Code Chapter 2-9C (Minority Owned and Women Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established].

### **Lead Department**

Financial Services Department.

### **Client Department(s)**

Austin Energy.

### **Fiscal Note**

Funding is available in the Capital Budget for Austin Energy.

### **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.

December 2, 2021 - Council approved an amendment, item 19, on a vote of 11-0.

### **For More Information:**

Direct Inquiries regarding this Recommendation for Council Action to the Financial Services Department-Central Procurement at: [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500.

### **Council Committee, Boards and Commission Action:**

August 14, 2023 - Recommended by the Electric Utility Commission on a 6-0 vote with Commissioners Bowen, Trostle, and White absent and two vacancies.

### **Additional Backup Information:**

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

This contract is for commercial and residential electric meters which are deployed throughout Austin Energy's service area on an as-needed basis. The electric meters provide electric service to new customers in response

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to growth and maintenance needs and streamline metering operations to reduce costs. The meters also support Austin Energy's strategic goals and objectives regarding system reliability, outage management, reduction of greenhouse gas emissions, and safety.

Additional time and funding are needed for Austin Energy to assess its future meter needs. Without this contract extension, Austin Energy would be limited in the number of new electric services and maintenance replacements they would be able to support with billing meters.

**Contract Detail:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Current Contract Authorization</u></b>	<b><u>Requested Additional Authorization</u></b>	<b><u>Revised Total Authorization</u></b>
Initial Term	5 yrs.	\$ 30,000,000		\$ 30,000,000
Contract Amendment	1.5 yrs.	\$ 10,000,000		\$ 10,000,000
Proposed Amendment	1 yr.		\$ 16,000,000	\$ 16,000,000
<b>TOTAL</b>	<b>7.5 yrs.</b>	<b>\$ 40,000,000</b>	<b>\$ 16,000,000</b>	<b>\$ 56,000,000</b>

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