

Versión en español a continuación.

Special Called Meeting of the Electric Utility Commission April 19, 2021

The Electric Utility Commission is to be held April 19, 2021 with Social Distancing Modifications

Public comment will be allowed via telephone; no in-person input will be allowed. **All speakers must register in advance of Sunday, April 18 by noon.** All public comment will occur at the beginning of the meeting.

To speak remotely at the **Electric Utility Commission** meeting, members of the public must:

- Call or email the board liaison at **512-497-0966** or Jeff.Vice@austinenergy.com no later than noon, Sunday, April 18. The information required is the **speaker name, the telephone number they will use to call into the meeting, and their email address** (so that the dial-in info may be provided). If speaking on a specific item, residents must indicate the **item number(s) they wish to speak on and whether they are for/against/neutral**. Speakers on any topic that is not a posted agenda item will be limited to the first 10.
- Once a request to speak has been made to the board liaison, the information to call on the day of the scheduled meeting will be provided either by email or phone call.
- Speakers must call in at least 15 minutes prior to meeting start in order to speak, late callers will not be accepted and will not be able to speak.
- Speakers will be placed in a queue until their time to speak; each speaker will have up to three minutes to speak.
- Handouts or other information may be emailed to Jeff.Vice@austinenergy.com by noon the day before the scheduled meeting. This information will be provided to Board and Commission members in advance of the meeting.
- If this meeting is broadcast live, residents may watch the meeting here:
<http://www.austintexas.gov/page/watch-atxn-live>

Reunión del **Electric Utility Commission**

FECHA de la reunion (**19 de Abril 2021**)

La junta se llevará con modificaciones de distanciamiento social

Se permitirán comentarios públicos por teléfono; no se permitirá ninguna entrada en persona. Todos los oradores deben registrarse con anticipación (18 de Abril antes del mediodía). Todos los comentarios públicos se producirán al comienzo de la reunión.

Para hablar de forma remota en la reunión, los miembros del público deben:

- Llame o envíe un correo electrónico al enlace de la junta en **512-497-0966** or Jeff.Vice@austinenergy.com a más tardar al mediodía (el día antes de la reunión). La información requerida es el nombre del orador, los números de artículo sobre los que desean hablar, si están a favor / en contra / neutrales, y un número de teléfono o dirección de correo electrónico.
- Una vez que se haya llamado o enviado por correo electrónico una solicitud para hablar al enlace de la junta, los residentes recibirán un correo electrónico o una llamada telefónica con el número de teléfono para llamar el día de la reunión programada.
- Los oradores deben llamar al menos 15 minutos antes del inicio de la reunión para poder hablar, no se aceptarán personas que llamen tarde y no podrán hablar.
- Los oradores se colocarán en una fila hasta que llegue el momento de hablar.
- Los folletos u otra información pueden enviarse por correo electrónico a Natasha.Goodwin@austinenergy.com antes del mediodía del día anterior a la reunión programada. Esta información se proporcionará a los miembros de la Junta y la Comisión antes de la reunión.
- Si esta reunión se transmite en vivo, los residentes pueden ver la reunión aquí: <http://www.austintexas.gov/page/watch-atxn-live>



Electric Utility Commission

April 19, 2021 ■ 5:30 PM

VIA VIDEOCONFERENCING

<http://www.austintexas.gov/page/watch-atxn-live>

Austin, Texas

AGENDA

Members:

Marty Hopkins, Chair (Casar)
Dave Tuttle, Vice Chair (Alter)
Randy Chapman (Pool)
Cary Ferchill (Adler)

Erik Funkhouser (Fuentes)
Karen Hadden (Kitchen)
Cyrus Reed (Tovo)
Rachel Stone (Harper-Madison)

Kay Trostle (Ellis)
Matt Weldon (Kelly)
Stefan Wray (Renteria)

For more information, please visit: www.austintexas.gov/euc

Reading and Action on Consent Agenda: Items 2-9 may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Commissioner.

CALL MEETING TO ORDER

CITIZEN COMMUNICATION: GENERAL

Speakers must sign up one day prior to the meeting and will be allowed up to three minutes to provide their comments.

1. **APPROVAL OF MINUTES** – Approve minutes of the March 8, 2021 regular meeting.

NEW BUSINESS – CONSENT

() = Target Council Meeting Date; [] = RCA Type

2. (4/22) [Capital Contracting] Authorize award and execution of a construction contract with Austin Underground Inc. (MBE), for 301 W. 20th – Duct Bank WR project in the amount of \$542,120 plus a \$54,212 contingency, for a total contract amount not to exceed \$596,332.
3. (4/22) [Purchasing] Authorize an amendment to an existing contract with Pike Enterprises Inc D/B/A Pike Electric LLC, for continued substation installation, repair, and maintenance services, for an increase in the amount of \$2,000,000, for a revised total contract amount not to exceed \$5,000,000.
4. (4/22) [Purchasing] Authorize an amendment to an existing contract with Pike Enterprises Inc, to provide continued transmission and distribution electrical services, for an increase in the amount of \$4,000,000, for a revised contract amount not to exceed \$93,000,000.
5. (5/6) [Purchasing] Authorize negotiation and execution of a contract with Wesco Distribution, Inc., D/B/A Hi-Line Utility Supply Co, LLC aka Power Supply, for substation capacitor banks, for a term of five years for a total contract amount not to exceed \$2,700,000.

6. (5/6) [Purchasing - Multi-Dept; AE's portion approximately \$9M] Authorize an amendment to an existing cooperative contract with Dell Marketing LP, to provide Dell hardware and software products and related services including maintenance and support, for an increase in the amount of \$21,000,000, for a revised total contract amount not to exceed \$68,250,000.
7. (5/6) [Purchasing] Authorize negotiation and execution of a contract with Gruene Environmental Companies LLC D/B/A Gruene Environmental Construction LP, to provide spill response, cleanup and restoration services, for a term of five years for a total contract amount not to exceed \$2,000,000.
8. (5/6) [Purchasing] Authorize award of a multi-term contract with KBS Electrical Distributors, Inc., for pressure treated wood poles, for up to five years for a total contract amount not to exceed \$3,700,000.
9. (5/6) [Purchasing] Authorize an amendment to an existing cooperative contract with SHI Government Solutions, Inc., to continue providing Tableau products and software including maintenance and support, for an increase in the amount of \$330,000, for a revised total contract amount not to exceed \$1,051,000.

STAFF BRIEFINGS & REPORTS

10. Austin Energy FY22 Forecast and Budget Planning.
11. Energy Market Economics, the Texas Regulatory Framework, Customer Costs for Power Supply and Circuit Segmentation.

ITEMS FROM COMMISSIONERS

12. Discussion regarding REACH. (Weldon, Hopkins)

OTHER BUSINESS

13. Officer elections.
14. Report regarding City Council action on items previously reviewed by the EUC.

ADJOURNMENT



Electric Utility Commission March 8, 2021 Minutes

The Electric Utility Commission (EUC) convened a regularly scheduled meeting via videoconference/Webex. Meeting called to order by Chair Hopkins at 1:11 p.m. Also present were Commissioners Ferchill, Hadden, Stone, Trostle, Tuttle and Weldon. Commissioners Funkhouser, Reed, and Wray were absent and one vacancy.

CITIZEN COMMUNICATION: GENERAL – Paul Robbins re Customer Assistance Program

1. **APPROVAL OF MINUTES** – Approve minutes of the February 8, 2021 regular meeting.
Motion (Ferchill) to approve minutes; seconded (Weldon); passed on a vote of 6-0, with Commissioner Hadden off the dais and Commissioners Funkhouser, Reed and Wray absent and one vacancy.

NEW BUSINESS – CONSENT

() = Target Council Meeting Date; [] = RCA Type

Items 2-8 unanimously recommended on consent (6-0, with Commissioner Hadden off the dais and Commissioners Funkhouser, Reed and Wray absent and one vacancy). Following discussion, the following item was recommended on a vote of 6-0, with Commissioner Hadden off the dais and Commissioners Funkhouser, Reed and Wray absent and one vacancy.

- **Item 4 : motion (Trostle) to recommend; seconded (Weldon)**

2. (3/25) [Capital Contracting] Authorize negotiation and execution of a professional services agreement with Stanley Consultants, Inc., (staff recommendation) or one of the other qualified responders for Request for Qualifications Solicitation No. CLMP310 to provide engineering services for Relay and Protection Engineering Services for Electric System Engineering and Technical Services in amount not to exceed \$2,935,000.
3. (3/25) [Real Estate] Authorize the negotiation and execution of a Second Amendment to the Lease Agreement extending the term for 7 years, with one 7 year extension option, between SWC Research & Ohlen, L.P., a Delaware limited partnership and City of Austin, for the continued operation of an Austin Energy Walk-in Customer Service Center, for approximately 4,597 square feet of retail space at Plaza FAMSAs shopping center, located at 8716 Research Blvd., in an amount not to exceed \$999,027.
4. (4/8) [Purchasing] Authorize negotiation and execution of a multi-term contract with Asplundh Tree Expert LLC, or the other qualified offeror to Request for Proposals 1100

Item 1

EAL3013, to provide vegetation management services on transmission energized lines, for up to five years for a total contract amount not to exceed \$17,500,000.

5. (4/8) [Purchasing] Authorize an amendment to an existing contract with MasTec North America Inc, for continued underground transmission and distribution electrical services, for an increase in the amount of \$12,000,000, for a revised total contract amount not to exceed \$72,000,000.
6. (4/8) [Purchasing] Authorize award of a multi-term contract with KBS Electrical Distributors Inc, for network protectors, for up five years for a total contract amount not to exceed \$10,000,000.
7. (4/8) [Purchasing] Authorize negotiation and execution of a multi-term contract with KBS Electrical Distributors Inc, or the other qualified offeror to Request For Proposals 1100 DTB3001, to provide circuit breakers, for up to five years for a total contract amount not to exceed \$7,000,000.00.
8. (4/8) [Purchasing; Multi-departmental; AE's portion: \$1.2M] Authorize amendments to existing cooperative contracts with AT&T Mobility, T-Mobile USA, Inc, and Cellco Partnership D/B/A Verizon, for continued wireless data network connectivity and related services and equipment, for an increase in the amount of \$8,094,000 and to extend the term by one year for a revised contract amount not to exceed \$25,625,000, divided among the contractors.

ITEMS FROM COMMISSIONERS

9. Discussion and possible action regarding recommending the Austin City Auditor audit the Customer Assistance Program. **Discussion held; no action taken.**
10. Discussion on possible change to evening time slot for Electric Utility Commission meetings. **Commissioners recommended moving to an evening time slot.**

OTHER BUSINESS

11. Report regarding City Council action on items previously reviewed by the EUC.

The meeting adjourned at 1:29 p.m.

Posting Language

Authorize award and execution of a construction contract with Austin Underground Inc. (MBE), for 301 W. 20th – Duct Bank WR project in the amount of \$542,120 plus a \$54,212 contingency, for a total contract amount not to exceed \$596,332.

[Note: This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 98.08% MBE and 1.75% WBE participation.]

Lead Department

Capital Contracting Office

Managing Department

Public Works Department

Fiscal Note

Funding is available in the Fiscal Year 2020 -2021 Capital Budget of Austin Energy.

Purchasing Language:

Lowest responsive bid of two bids received through a competitive Invitation for Bid solicitation.

Prior Council Action:

N/A

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov.

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749, Garrett Cox, 512-974-9423, or the Project Manager, Larry Mendez, 512-974-7124.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission April 12, 2021

Additional Backup Information:

The existing duct bank conduits have collapsed in this area and Austin Energy cannot install conductive or electrical cables through it. To maintain reliable electricity, a new duct bank is needed for electrical distribution and to facilitate an underground feeder installed in the new conduit.

The work consists of supplementing approximately 800 linear feet of Orangeburg conduits by installing nine new 5-inch ducts from 301 W. 20th Street to 105 W. 20th Street. The duct bank will connect the existing manholes in W. 20th Street and terminate with two 5-inch ducts to a future riser.

During construction there will be lane closures and detours. The contractor will install appropriate traffic detour signs and barricades to direct traffic.

A delay in the approval of this contract will limit the distribution of electricity to surrounding buildings.

Due to the potential for unforeseen underground conflicts, a 10% contingency in funding has been included to allow for the expeditious processing of any change orders. A contingency is an additional amount of

money added to the construction budget to cover any unforeseen construction costs associated with the project. By authorizing the additional contingency funding, Council is authorizing any change orders within the contingency amount.

The contract allows 270 calendar days for completion of this project. This project is located within zip code 78705 (District 9).

Austin Underground Inc. (MBE/MH) is located in Lago Vista, Texas.

Strategic Outcome(s):

Safety

Posting Language

Authorize an amendment to an existing contract with Pike Enterprises Inc. D/B/A Pike Electric LLC, for continued substation installation, repair, and maintenance services, for an increase in the amount of \$2,000,000, for a revised total contract amount not to exceed \$5,000,000.

(Note: This contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this contract, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$2,000,000 is available in the Fiscal Year 2020-2021 Capital Budget of Austin Energy.

Purchasing Language:

Contract Amendment.

Prior Council Action:

August 3, 2017 – Council approved the original contract, item 33, on a 10-0 vote with Council Member Troxclair abstained.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to Julia Finn, at 512-322-6060 or Julia.Finn@austintexas.gov.

Council Committee, Boards and Commission Action:

April 12, 2021 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The proposed amendment will provide Austin Energy additional funding for continued substation installation and maintenance services.

The original funding request was based on anticipated substation maintenance, projects required to bring substations into compliance with North American Electric Reliability Corporation regulations, and contingency for emergencies. A substation was added to Austin Energy's 2021 Capital Improvement Program projects and was not anticipated at the time of the original funding request.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	2 yrs.	\$1,200,000		\$1,200,000
Extension Option 1	1 yr.	\$1,800,000		\$1,800,000
Extension Option 2	1 yr.			
Proposed Amendment			\$2,000,000	\$2,000,000
Optional Extension 3	1 yr.			
TOTALS	5 yrs.	\$3,000,000	\$2,000,000	\$5,000,000

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

Strategic Outcome(s):

Government That Works for All.

Posting Language

Authorize an amendment to an existing contract with Pike Enterprises Inc., to provide continued transmission and distribution electrical services, for an increase in the amount of \$4,000,000, for a revised contract amount not to exceed \$93,000,000.

(Note: This contract was awarded in compliance with City Code Chapter 2-9A Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for the contract, subcontractor goals were applied. Current participation to date is 2.079% MBE and 0.141% WBE participation).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$4,000,000 is available in the Fiscal Year 2020-2021 Capital Budget.

Purchasing Language:

Contract Amendment.

Prior Council Action:

December 17, 2015 – Council approved original contract, item 72, on a 10-0 vote with Council Member Zimmerman abstained.

May 7, 2020 – Council approved an amendment, item 18, on an 11-0 vote.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to Julia Finn, at 512-322-6060 or Julia.Finn@austintexas.gov.

Council Committee, Boards and Commission Action:

March 8, 2021 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

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

The contract is for transmission and distribution electrical services for Austin Energy. The contractor provides Austin Energy with ready access to contract labor and equipment for projects such as service extensions, removal and replacement of utility poles, residential distribution underground cable upgrades, storm-related outage restoration, and distribution line relocations.

The original funding request was based on Austin Energy's forecast of transmission and distribution projects. Projects have increased over the course of this contract, and the requested authority will allow Austin Energy to maintain services for the duration of this contract.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	2 yrs.	\$30,000,000		\$30,000,000
Extension Option 1	1 yr.	\$15,000,000		\$15,000,000
Extension Option 2	1 yr.	\$15,000,000		\$15,000,000
Extension Option 3	1 yr.	\$15,000,000		\$15,000,000
Contract Amendment		\$14,000,000		\$14,000,000
Proposed Amendment			\$4,000,000	\$ 4,000,000
TOTALS	5 yrs.	\$89,000,000	\$4,000,000	\$93,000,000

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

Strategic Outcome(s):

Safety.

Posting Language

Authorize negotiation and execution of a contract with Wesco Distribution, Inc., D/B/A Hi-Line Utility Supply Co, LLC aka Power Supply, for substation capacitor banks, for a term of five years for a total contract amount not to exceed \$2,700,000.

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

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$225,000 is available in the Fiscal Year 2020-2021 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Sole Source.

Prior Council Action:

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to Terry V. Nicholson, at 512-322-6586 or Terry.Nicholson@austintexas.gov.

Council Committee, Boards and Commission Action:

April 12, 2021 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide Austin Energy with ABB capacitor banks to be used in Austin Energy's substations. Capacitor banks improve voltage stability and reduce network losses, while improving power transmission capability and control. The capacitors banks control the level of voltage supplied to customers by reducing or eliminating the voltage drop and are installed at various substations through the Austin Energy transmission system.

This contractor is the only authorized distributor of the ABB capacitor banks utilized by Austin Energy.

Strategic Outcome(s):

Government That Works for All.

Posting Language

Authorize an amendment to an existing cooperative contract with Dell Marketing LP, to provide Dell hardware and software products and related services including maintenance and support, for an increase in the amount of \$21,000,000, for a revised total contract amount not to exceed \$68,250,000.

(Note: The contract was awarded in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this procurement, there were no subcontracting opportunities; therefore, goals were not established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy; Austin Water; Communications and Technology Management.

Fiscal Note

Funding in the amount of \$4,500,000 is available in the Fiscal Year 2020-2021 Operating Budget of Austin Energy. Funding in the amount of \$500,000 is available in the Fiscal Year 2020-2021 Operating Budget of Austin Water. Funding in the amount of \$4,500,000 is available in the Fiscal Year 2020-2021 Operating Budget of Communications and Technology Management. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

March 2, 2017 – Council approved the original contract, item 24, on an 11-0 vote.

February 6, 2020 – Council approved an amendment, item 38, on an 11-0 vote.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to Brett Hardy, at 512-322-6122 or Brett.Hardy@austintexas.gov.

Council Committee, Boards and Commission Action:

April 7, 2021 – To be reviewed by the Water and Wastewater Commission.

April 12, 2021 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract is for the purchase of Dell hardware and software products and services including maintenance and support for Austin Energy, Austin Water, and Communications and Technology Management. These products are used to conduct daily operations throughout the City and meet information technology (IT) infrastructure requirements. The associated product and technical services will assist City IT departments with infrastructure and business continuity improvements, allowing for enhanced remote access capabilities, while ensuring stability and maintaining effective security levels. City departments utilized this contract for increased teleworking capabilities during the COVID-19 pandemic. This proposed amendment will increase the authorization allowing those departments to continue to purchase Dell hardware and software products, professional services, and maintenance in support of daily City operations, key IT infrastructure and application management initiatives and further supporting any pandemic related needs.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	5 yrs.	\$29,250,000		\$29,250,000
Contract Amendment		\$18,000,000		\$18,000,000
Proposed Amendment			\$21,000,000	\$21,000,000
TOTALS	5 yrs.	\$47,250,000	\$21,000,000	\$68,250,000

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

Strategic Outcome(s):

Government That Works for All.

Dell Hardware - Amendment #2

Current RCA, Amendment #2, 5/6/21 for a total of \$19M;
AE \$9M

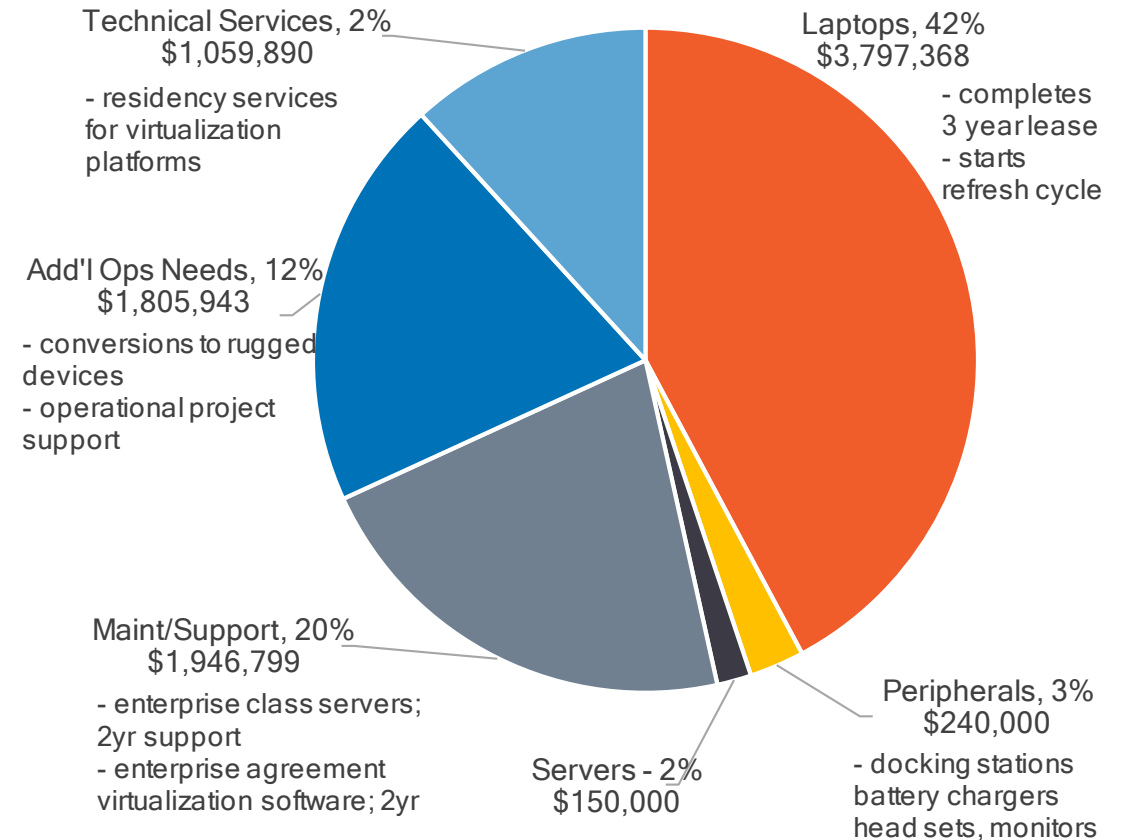
Amendment allows AE to reset contract authority used to address technology needs during the pandemic, and plan for on-going technology based on new baseline set by pandemic purchases

Dell Contract History - \$66.25M

	CTM	AE	AW	Amendment Total	Contract Total
Original Contract	\$17,500,000	\$11,750,000	\$0	\$0	\$29,250,000
Amend #1	\$10,000,000	\$8,000,000	\$0	\$18,000,000	\$47,250,000
Amend #2	\$9,000,000	\$9,000,000	\$1,000,000	\$19,000,000	\$66,250,000
Total Award	\$36,500,000	\$28,750,000	\$1,000,000	\$37,000,000	\$66,250,000

This technology has enabled business continuity, allowing for an increase in remote access, while ensuring stability and maintaining effective security levels. Breakout as follows:

AE Amendment Request - \$9M



Posting Language

Authorize negotiation and execution of a contract with Gruene Environmental Companies LLC d/b/a Gruene Environmental Construction LP, to provide spill response, clean-up and restoration services, for a term of five years for a total contract amount not to exceed \$2,000,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$167,000 is available in the Fiscal Year 2020-2021 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) 1100 MMH3011 for these services. The solicitation issued on December 21, 2020 and it closed on January 28, 2021. Of the three offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](#).

Prior Council Action:

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Melita Harden, at 512-322-6149 or Melita.Harden@austintexas.gov.

Council Committee, Boards and Commission Action:

April 12, 2021 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide spill response, clean-up and restoration services for emergency and non-emergency spills. The contractor will perform services on an as needed basis for environmental, restoration, hazardous and non-hazardous oil and chemical spills. This work is highly specialized, and the contractor is required to follow all requirements set forth by local, state, and federal environmental regulatory agencies.

Gruene Environmental Companies LLC d/b/a Gruene Environmental Construction LP is the current providers for these services. The current contract expires August 12, 2021.

An evaluation team with expertise in this area evaluated the offers and scored Gruene Environmental Companies LLC d/b/a Gruene Environmental Construction LP as the best to provide these services based on proposer experience, concept and solution, price, local preference, and service-disabled veteran business enterprise.

Strategic Outcome(s):

Government That Works for All.

Posting Language

Authorize award of a multi-term contract with KBS Electrical Distributors, Inc., for pressure treated wood poles, for up to five years for a total contract amount not to exceed \$3,700,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$308,333 is available in the Fiscal Year 2020-2021 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) 1100 MEA1028 for these goods. The solicitation issued on December 14, 2020 and it closed on January 7, 2021. Of the three offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](#).

Prior Council Action:

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Maria Andrade, at 512-972-9424 or Maria.Andrade@austintexas.gov.

Council Committee, Boards and Commission Action:

April 12, 2021 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide wooden utility poles to support overhead power line conductor cable, fiber optic cable and related equipment such as transformers, streetlights and all other associated hardware for the transmission and distribution of electricity to Austin Energy customers. The contract includes various sizes of wooden poles ranging from 35 to 95 feet. They are treated with creosote to protect them from rot, fungus and insects. The poles will be used to replenish stock at Austin Energy's warehouses and will be used as required.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$1,480,000
Optional Extension 1	1 yr.	\$ 740,000
Optional Extension 2	1 yr.	\$ 740,000
Optional Extension 3	1 yr.	\$ 740,000
TOTAL	5 yrs.	\$3,700,000

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

Strategic Outcome(s):

Government That Works for All.

Posting Language

Authorize an amendment to an existing cooperative contract with SHI Government Solutions, Inc., to continue providing Tableau products and software including maintenance and support, for an increase in the amount of \$330,000, for a revised total contract amount not to exceed \$1,051,000.

(Note: This cooperative contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this procurement, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$330,000 is available in the Fiscal Year 2020-2021 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

April 26, 2018 – Council approved the original contract, item 18, on a 10-0 vote with Council Member Troxclair absent.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to Daniel Dellemonache, at 512-974-2981 or Daniel.Dellemonache@austintexas.gov.

Council Committee, Boards and Commission Action:

April 12, 2021 – To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The proposed amendment will increase the authorization allowing Austin Energy to continue purchasing software, hardware, and related services under their existing Tableau license agreement. The software is a business intelligence, data analytics and visualization tool. Since the original purchase, Austin Energy staff have more broadly adopted the platform, which in turn has required additional licenses to meet this increase need from business units. This amendment will allow Austin Energy to add more licenses and continue using these services.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	3 yrs.	\$721,000		\$ 721,000
Proposed Amendment			\$ 330,000	\$ 330,000
TOTALS	3 yrs.	\$721,000	\$ 330,000	\$1,051,000

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

Strategic Outcome(s):

Government That Works for All.

Austin Energy Fiscal Year 2022

Forecast and Budget Planning

Mark Dombroski
Chief Financial Officer



April 19, 2021

© 2018 Austin Energy

Fiscal Year 2022 Forecast and Budget Planning Agenda

- Budget Schedule
- Forecast Inputs, Assumptions and Process
- Forecast Summary
- Budget Planning

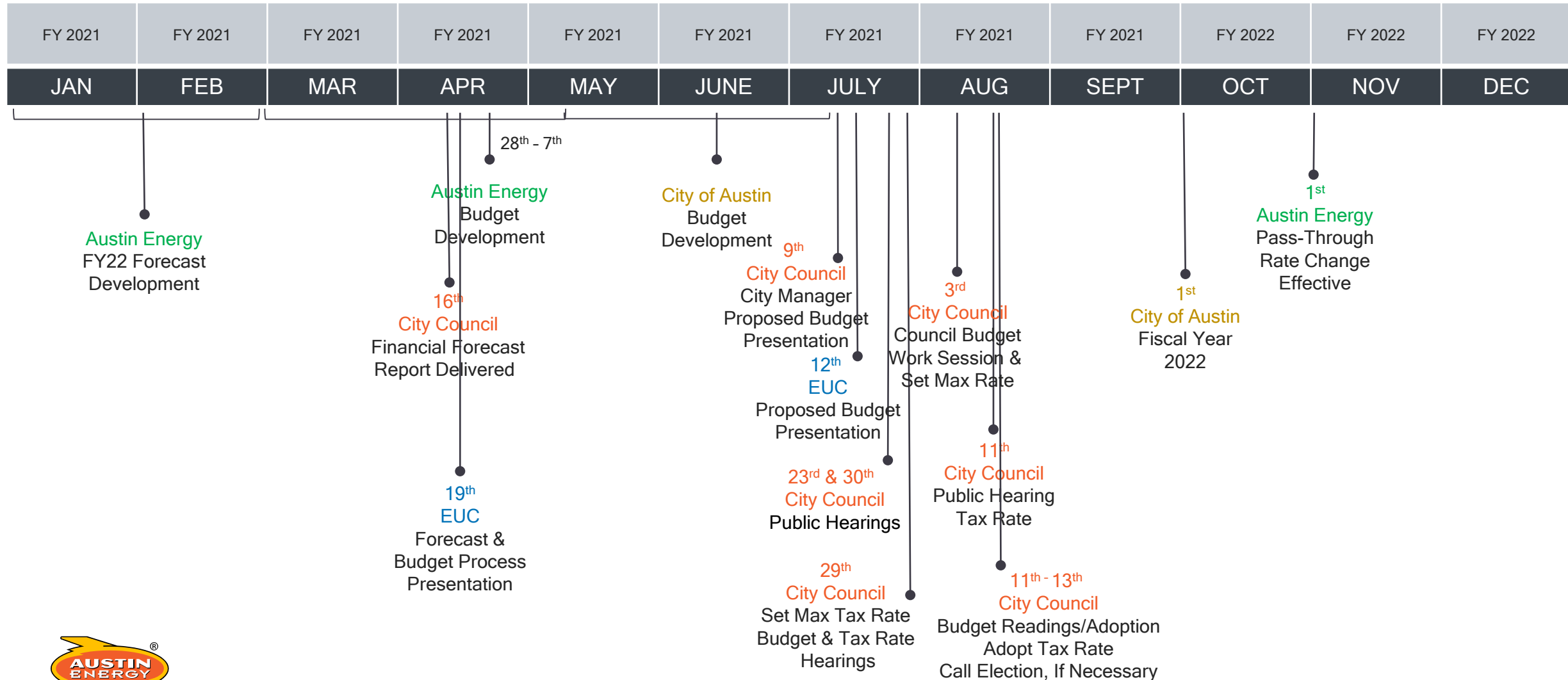


Austin Energy Fiscal Year 2022 Forecast and Budget Planning

Budget Schedule



City of Austin Fiscal Year 2022 Budget Timeline



City of Austin and Austin Energy Financial and Performance Data Sources

Austin Finance Online

<https://www.austintexas.gov/financeonline/finance/index.cfm>

City of Austin Budget Documents

https://www.austintexas.gov/financeonline/afo_content.cfm?s=1

City of Austin Strategic Direction 2023

https://www.austintexas.gov/financeonline/afo_content.cfm?s=73

Performance Austin

<https://cityofaustin.github.io/PerformanceATX/>

Data Austin: Austin Energy

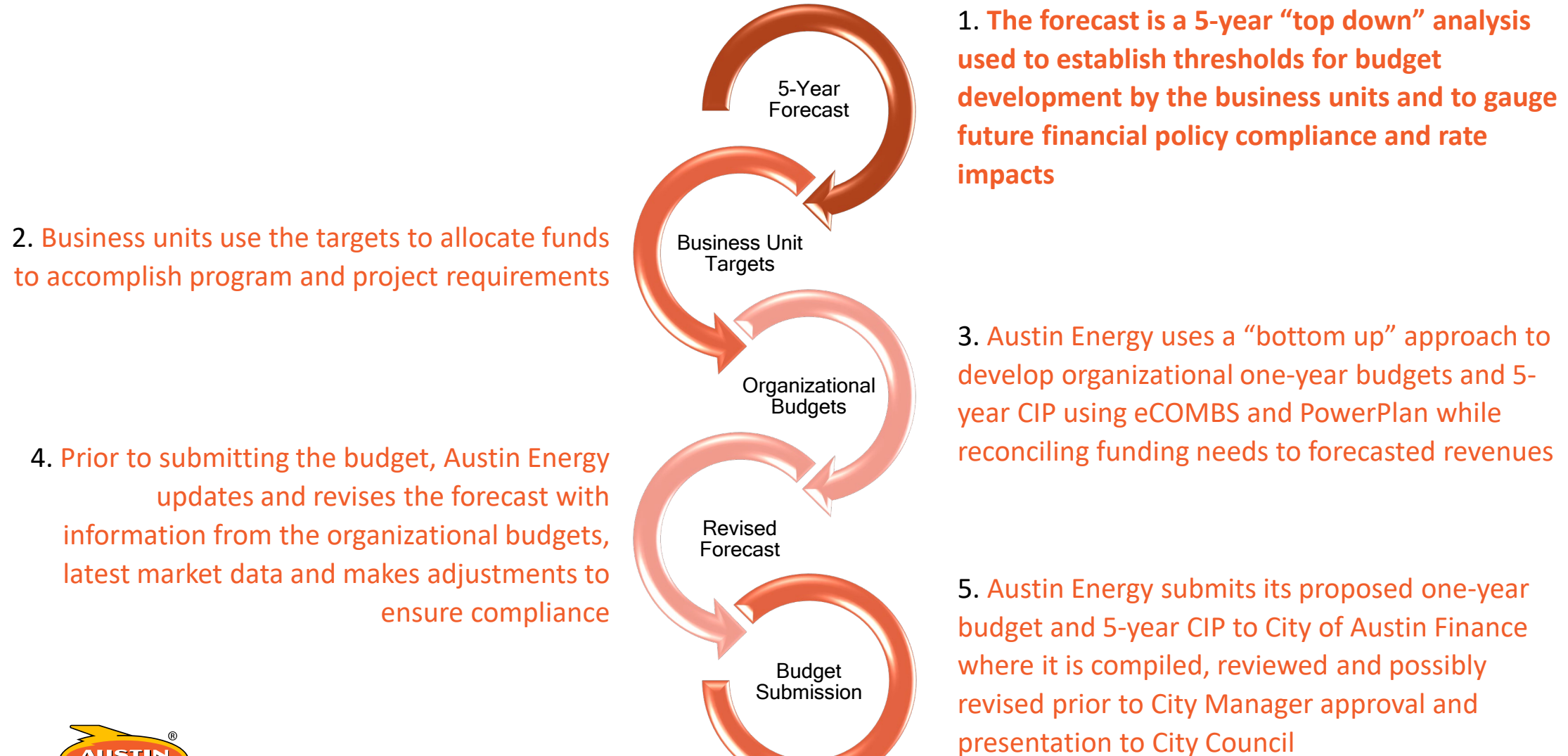
https://data.austintexas.gov/browse?Additional-Information_Department=Austin+Energy

Austin Energy Corporate Reports and Data Library

<https://austinenergy.com/ae/about/reports-and-data-library/reports-and-data-library>



Forecast to Budget 5-Step Process



Austin Energy Fiscal Year 2022 Forecast and Budget Planning

Forecast Inputs, Assumptions and Process



Austin Energy Forecast Inputs

- Preliminary Load Forecast
- Power Supply Cost Forecast (ERCOT Market Forecast)
- Amended Budget (*Current Year Estimate*)
- Adopted 5-Year CIP Forecast (*with revisions*)
- Existing Debt Schedules (Bonds and CP)
- Approved Program Changes
- Historical Financial Trends
- Existing Contractual Obligations
- Adopted City of Austin Financial Policies
- Adopted City of Austin Fees and Tariffs
- City of Austin Forecasting Assumptions
- Austin Energy Forecasting Assumptions
- Approved Public Utility Commission of Texas Transmission (PUCT) Rates (*what we charge*)
- Approved PUCT Postage Stamp Rate (*what we pay*)
- District Cooling Customer Growth and Consumption
- Joint Projects Forecast (Fayette and South Texas)
- Resource, Generation and Climate Protection Plan
- Credit Rating Agency Metrics



Austin Energy Forecast Assumptions

LOAD:

- Includes no discrete provision for potential industrial projects. Perryman includes such projects in the overall forecast pattern
- No COVID Pandemic impact starting Jan 2022

EXPENSE:

- Labor Escalation Factor is at 3% per year
- Inflation is at 0.75% per year on non-labor costs
- Depreciation rate is 2.95%
- Cost of debt: 3% for taxable and non-taxable
- City transfers and payments continue to grow at 5% per year
- No adjustment for the February winter event

REVENUE:

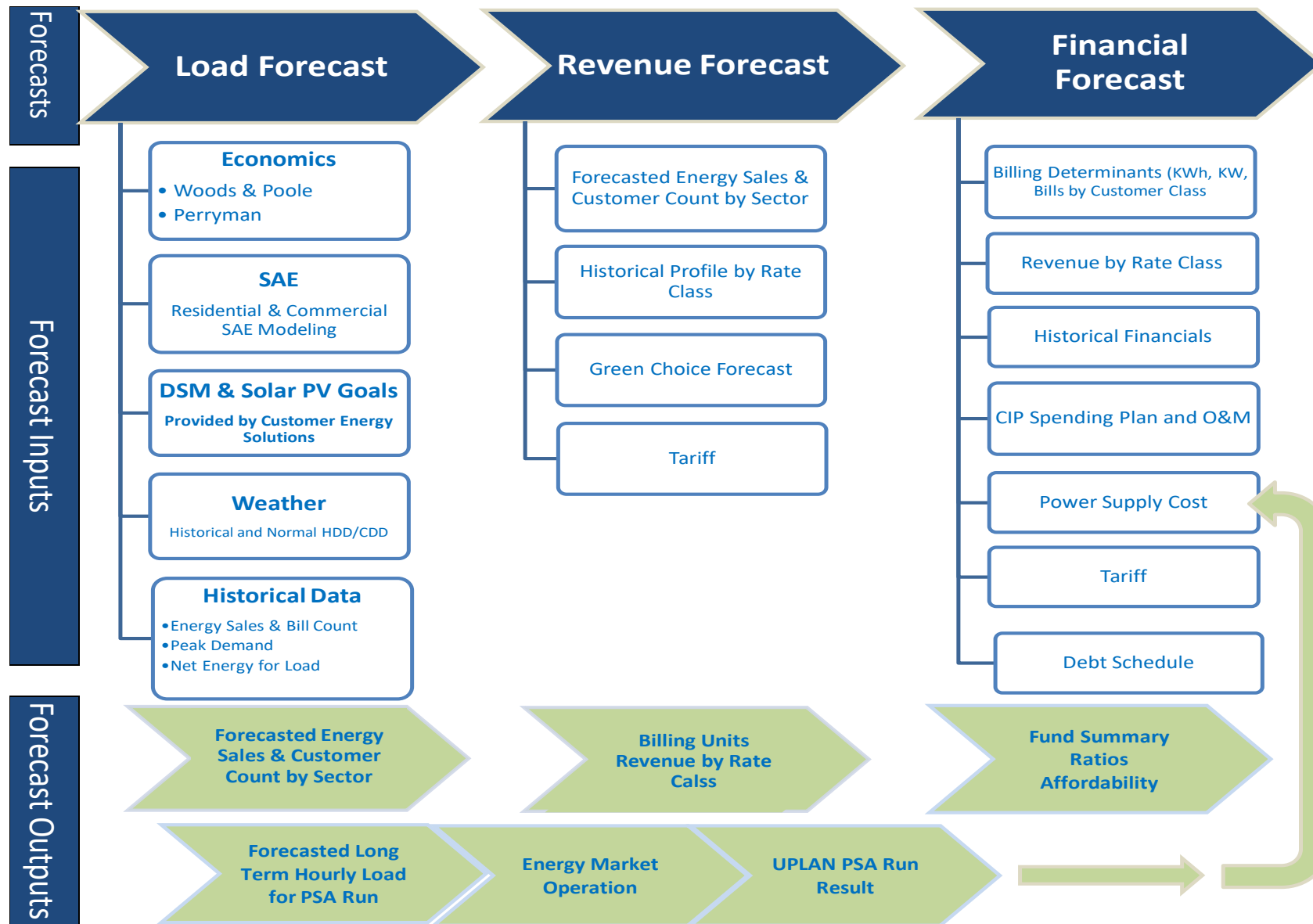
- Base rate change in FY 2024 to maintain financial policy compliance
- Power Supply cost forecast uses UPLAN and revenue is set to equal expenses for each year
- Cost of Nacogdoches Biomass (NAC) recovered through Power Supply Adjustment until January 2024
- Regulatory and Community Benefit Charge revenue is set equal to forecasted expense for each year
- Interest income rate is 0.15% for 2022 and beyond
- Customer Assistance Program (CAP) returns to a 10% discount for the five-year period

CIP:

- 65% cash funded



Austin Energy's Forecasting Process



Austin Energy Fiscal Year 2022 Forecast and Budget Planning

Forecast Summary



Austin Energy Forecast Fund Summary

Millions of \$	FY 2021 Budget	FY 2021 CYE	FY 2022 Forecast	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast
Beginning Balance	\$394.2	\$400.7	\$310.4	\$310.0	\$310.4	\$310.7	\$310.8
Revenues/Transfers In	1,416.0	1,393.1	1,477.8	1,534.5	1,587.5	1,601.8	1,644.2
Requirements:							
Operating Expenses	685.3	679.5	674.6	649.9	654.1	676.6	690.4
Power Supply Expenses	359.4	359.4	422.6	464.4	467.6	470.6	498.6
Debt Service	158.1	158.1	164.3	176.8	181.3	183.5	188.5
CIP Transfer	39.9	107.9	39.1	55.2	70.1	68.3	71.4
General Fund Transfer	114.0	114.0	113.0	114.0	116.0	121.0	127.0
Support Transfers	59.4	64.4	60.7	63.8	67.1	70.7	74.5
AE Reserve Transfers	5	0	4.0	10.0	31.0	11.0	0
Total Requirements	\$1,421.1	\$1,483.3	\$1,478.3	\$1,534.1	\$1,587.2	\$1,601.7	\$1,650.4
Excess (Deficiency)	(5.1)	(90.3)	(0.4)	0.5	0.3	0.1	(6.2)
Ending Balance	\$389.1	\$310.4	\$310.0	\$310.4	\$310.7	\$310.8	\$304.6
FTEs	1,813	1,813	1,823	1,833	1,843	1,853	1,863



Austin Energy Forecast CIP Summary

Millions of \$	Budget FY 2021	Forecast FY 2022	Forecast FY 2023	Forecast FY 2024	Forecast FY 2025	Forecast FY 2026	Total 2022-2026
Distribution	\$107.2	\$92.8	\$89.5	\$84.1	\$81.4	\$83.0	\$430.8
Distribution Substation	16.9	10.6	9.1	9.0	9.0	9.2	46.9
Transmission	36.6	25.2	25.2	25.2	24.9	25.3	125.8
Electric Service Delivery	\$160.7	\$128.6	\$123.8	\$118.3	\$115.3	\$117.5	\$603.5
Power Production	\$16.5	\$19.0	\$15.8	\$13.8	\$7.7	\$7.8	\$64.1
Joint Projects	11.4	10.4	11.1	10.6	10.2	12.2	54.5
District Cooling	48.6	25.0	3.9	2.5	5.0	5.1	41.5
General	119.3	20.5	23.8	20.0	22.5	22.8	109.6
Total	\$356.5	\$203.5	\$178.4	\$165.2	\$160.7	\$165.4	\$873.2



Forecasted Key Financial Metrics Summary

	Minimum or Target	Forecast FY 2021	Forecast FY 2022	Forecast FY 2023	Forecast FY 2024	Forecast FY 2025	Forecast FY 2026
Operating Margin	10%	12%	16%	2%	15%	13%	12%
Net Income (Millions of \$)	> \$0	(\$42.9)	\$0.6	(\$176.3)	\$2.7	(\$20.3)	(\$33.4)
Quick Ratio	> 1.5	2.4	2.5	2.5	2.7	2.7	2.8
Days Cash on Hand	150 Days	210 Days	204 Days	210 Days	222 Days	227 Days	223 Days
Debt Service Coverage	> 2.0	1.5	1.6	1.8	2.0	1.9	1.8
Debt to Capital	< 50%	54%	54%	56%	56%	56%	56%



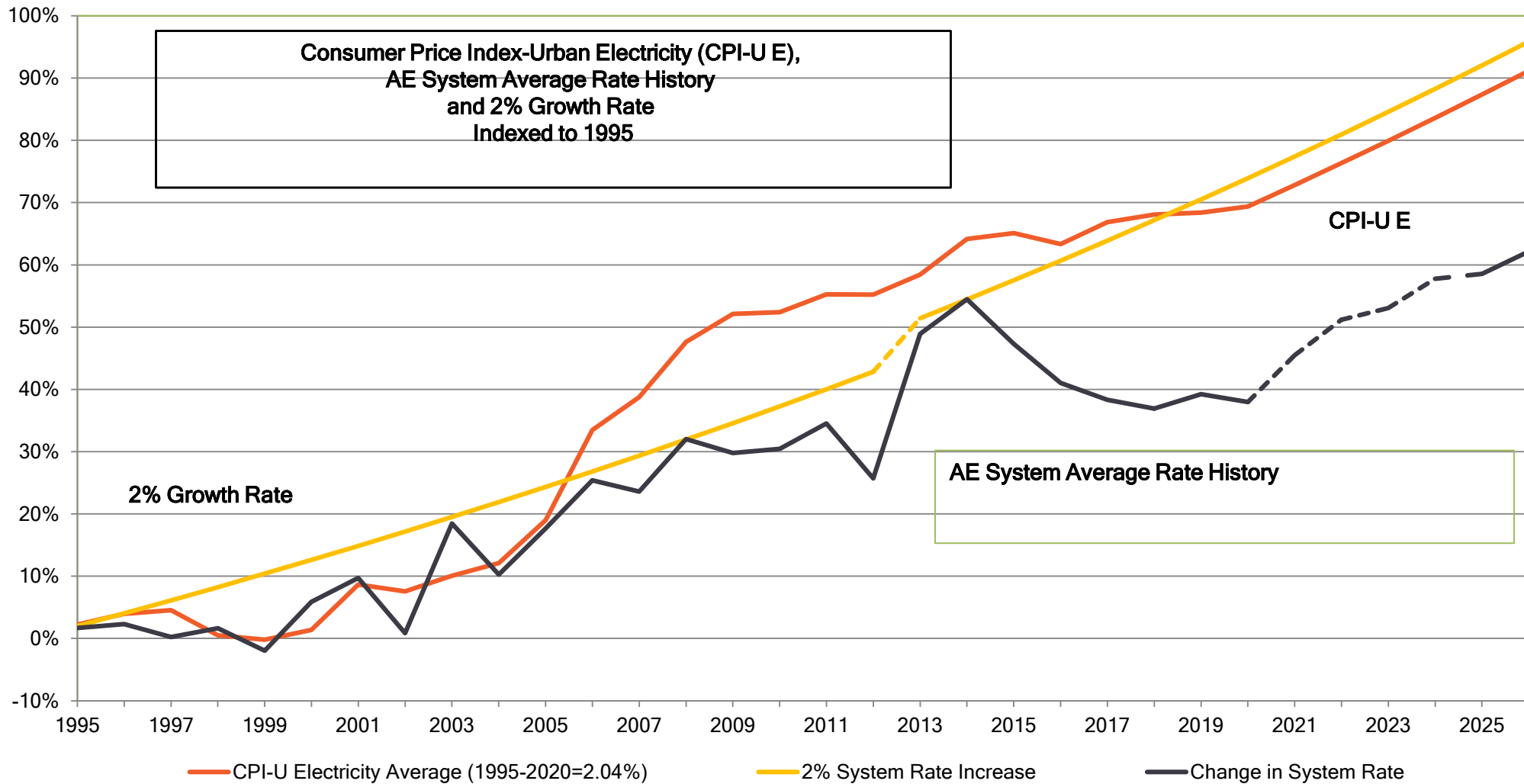
Retail Revenue Summary

	Use of Funds	12% GFT Applied	Basis for Rate	When Adjusted	Last Adjustment	% of Residential Bill (1)
Base Rates	Includes Customer, Energy and Demand Charges: Recovers O&M, G&A and debt service for generation/power supply, distribution, customer services and corporate services	Yes	Cost of Service for Test Year	Rate review performed every 5-years	Jan 2017, Decreased 6.7%	53%
Power Supply Adjustment	Recovers net ERCOT settlements, fuel, hedging, PPA's, GreenChoice® and VoS	No	Actual Expenses	Annually during Budget or if Recovery is $\pm 10\%$	Nov 2020, Decreased 2%	31%
Regulatory Charge	Recovers ERCOT transmission and related administrative charges/credits and NERC/TRE regulatory fees	Yes	Actual Expenses	Annually during Budget	Nov 2020, Increased 19%	10%
Community Benefit Charge: Service Area Lighting	Recovers cost of street lighting, operations of traffic signals and certain Park lighting	Yes	Actual Expenses	Annually during Budget	Nov 2018, Decreased 10%	1%
Community Benefit Charge: Energy Efficiency Services	Funds the cost of energy efficiency rebates and related costs, weatherization, solar incentives, and the Green Building program	Yes	Actual Expenses	Annually during Budget	Nov 2020, Decreased 29%	3%
Community Benefit Charge: Customer Assistance Program	Funds projects that help qualifying low-income and other disadvantaged residential customers through bill discounts, payment assistance (Plus 1), arrearage management, and weatherization services	Yes	Actual Expenses	Annually during Budget	Nov 2018, Decreased 11%	2%

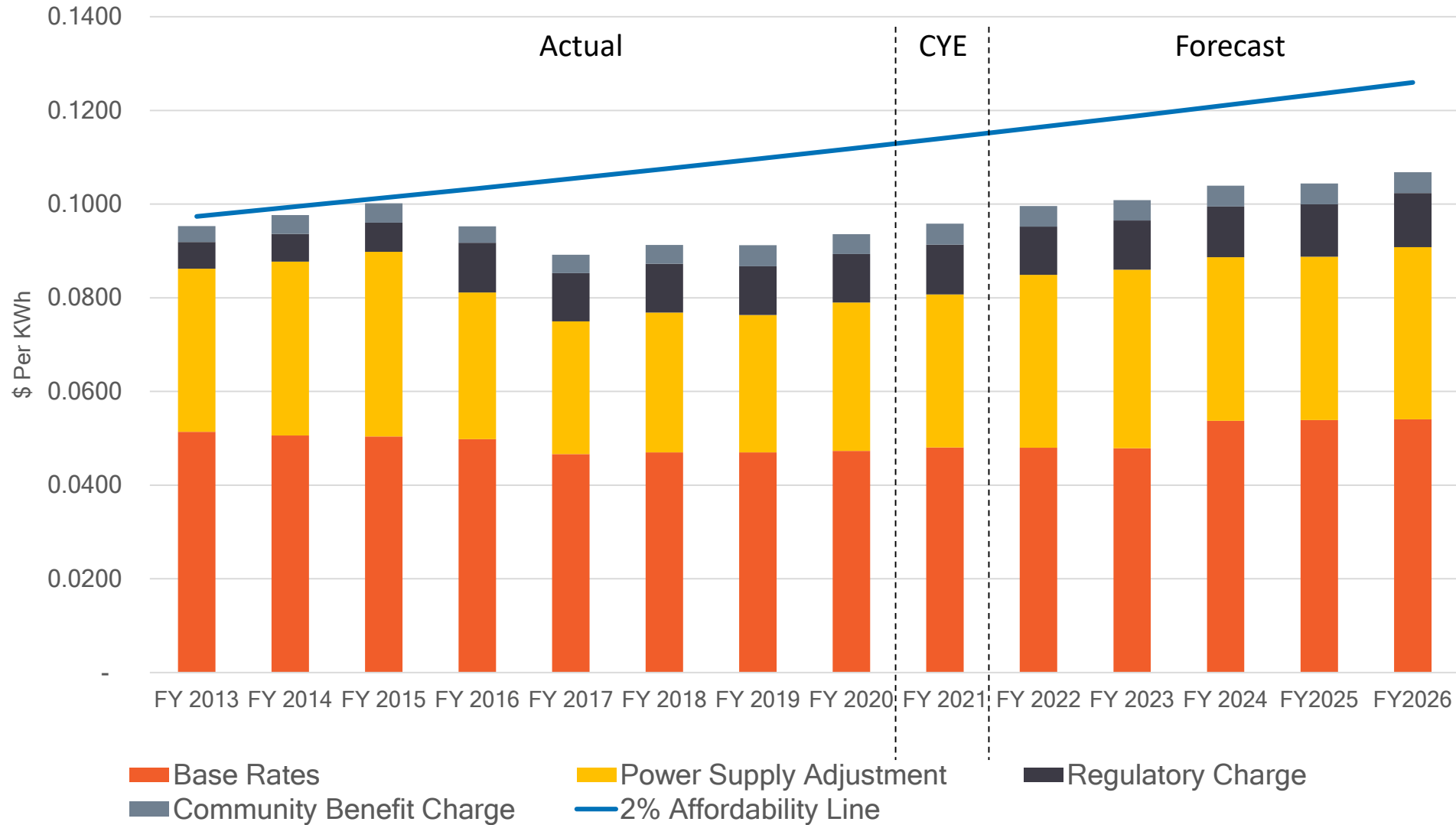


(1) City of Austin Residential Non-CAP Customer using 860 KWh (2019 Typical Monthly Consumption)

Austin Energy System Average Rate History

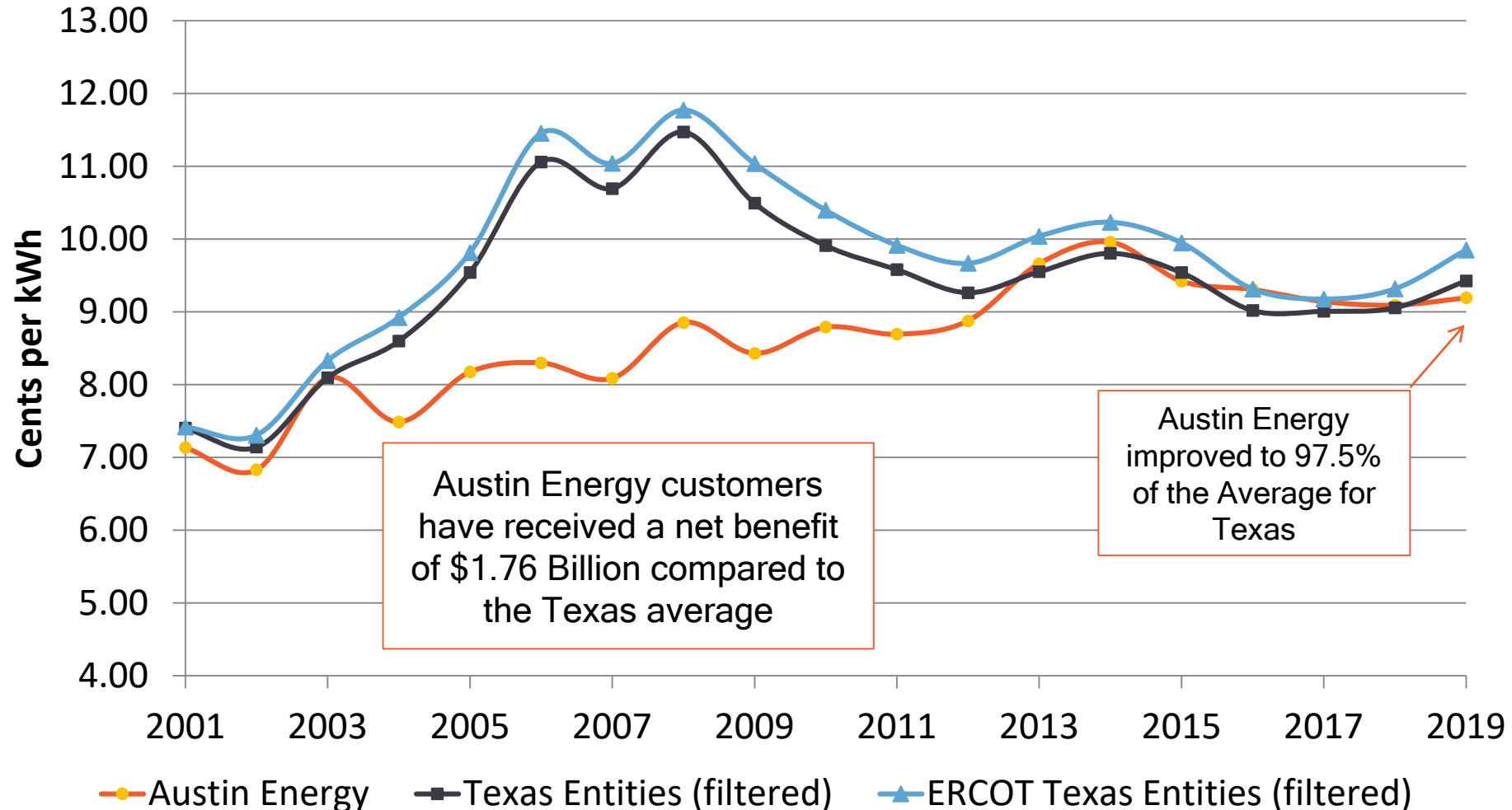


Affordability Goal: Affordability Metric



Affordability Goal: Competitiveness Metric

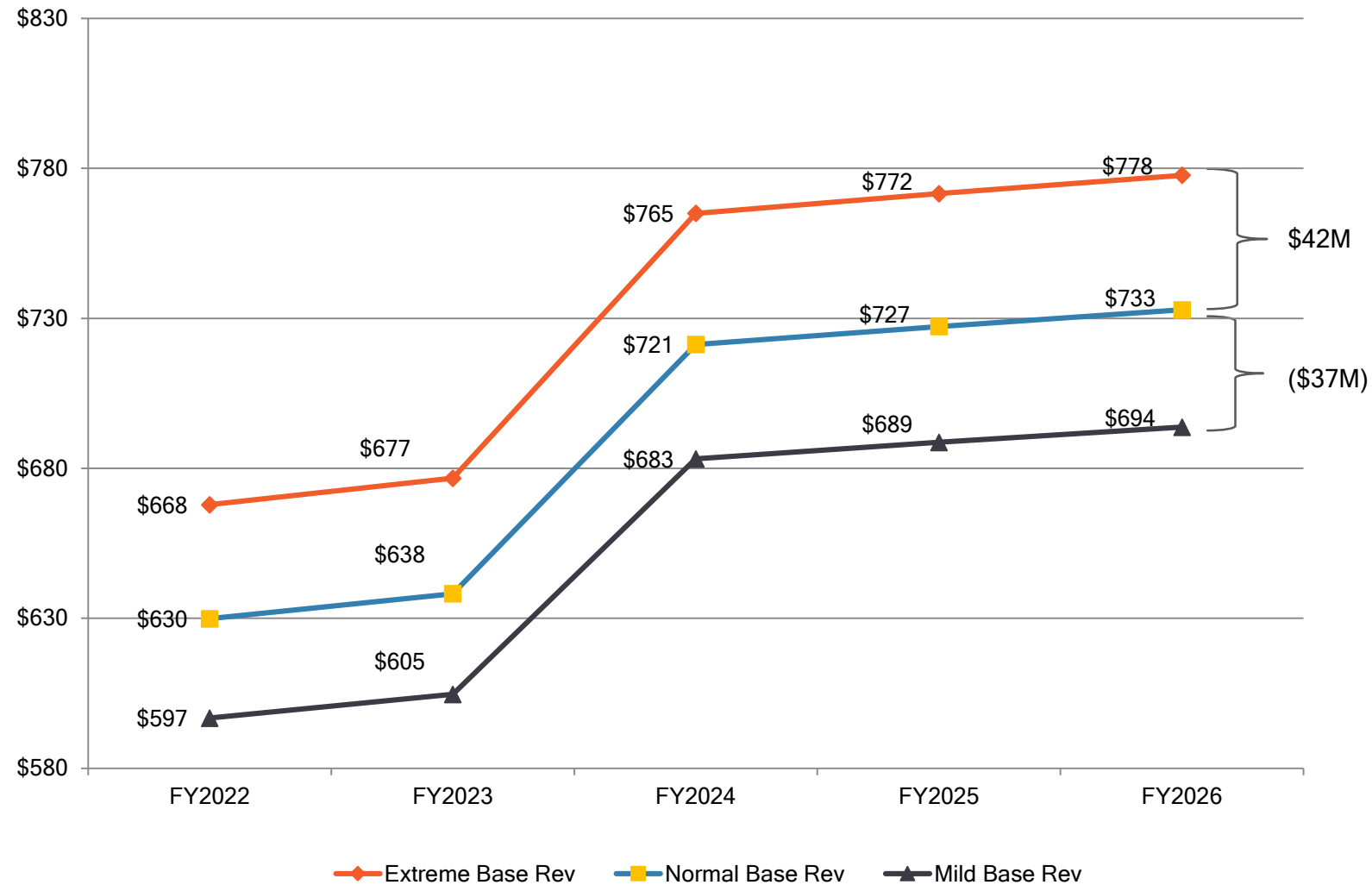
System Average Annual Rates by Calendar Year



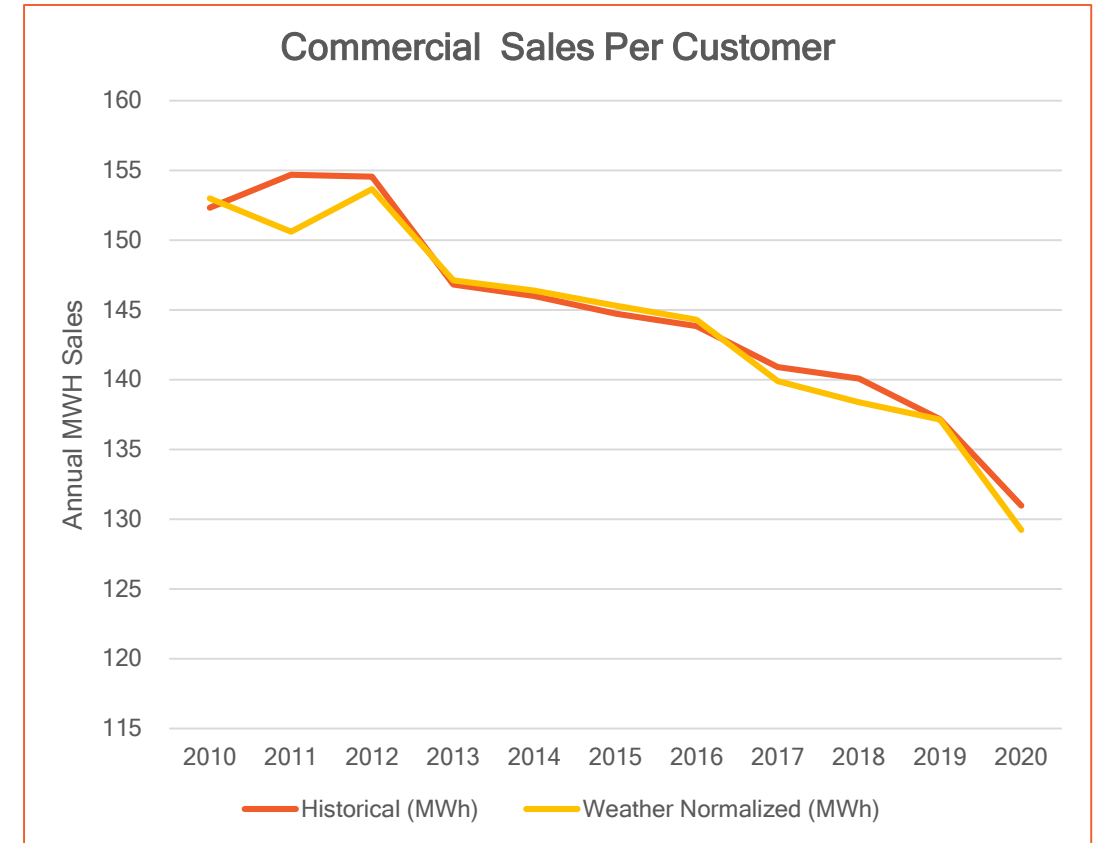
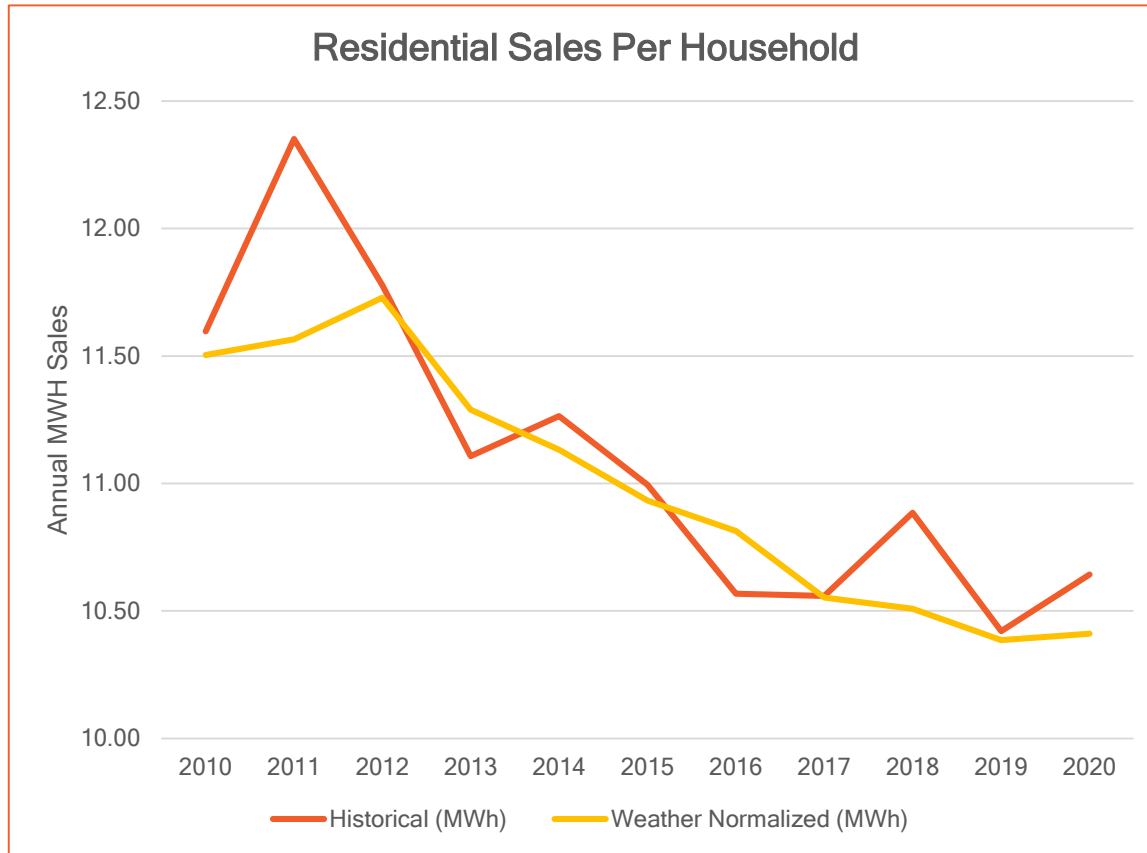
Source: U.S. Energy Information Administration Form 861, October 2020

Weather Impacts Base Revenue

Average ~\$80 Million Variance Over the Forecast



Declining Consumption per Customer



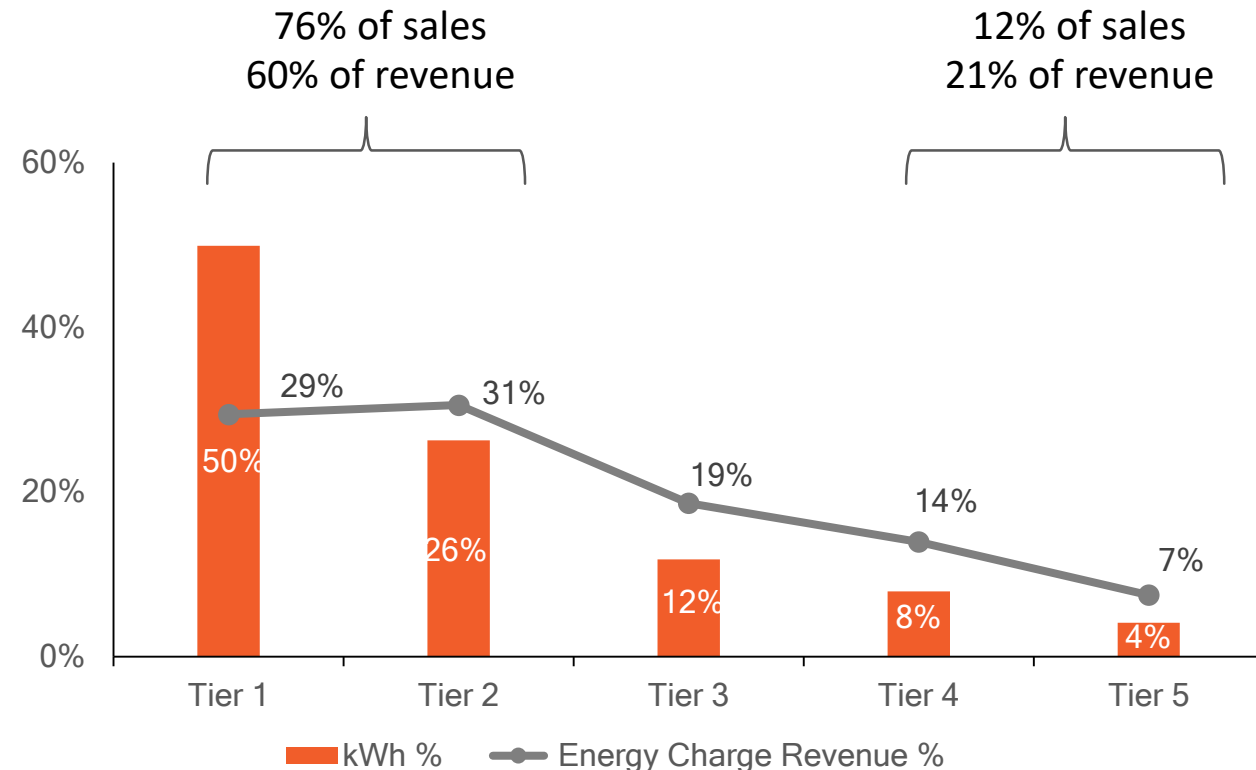
Tiered Rates: Customer Bill Stability and Revenue Impacts

Inclined Block Rates

Austin Energy adopted a 5-tiered residential block structure in 2013 and set the rates for tiers 1 and 2 below cost of service while tiers 4 and 5 are significantly above cost. Consumption in tiers 4 and 5 have decreased 14% since 2012.

Declining average consumption aggregates energy sales into the lower tiers jeopardizing Austin Energy's ability to recover costs and customers' bill stability especially during weather events.

FY2022 Residential Tier Distribution



Customer Growth and Energy Sales

Austin Energy has been experiencing the same trend as other electric providers in the country, stagnated growth in energy sales. However, our consistent growth in customers has masked the effects.

The traditional business model of periodic rate cases with fixed costs recovered in volumetric billing determinants (KWh) must be evaluated in the context of our new reality: Distributed generation, energy efficiency and conservation, new and highly efficient housing stock, aggressive inclined block rates, and demand for energy services. All of this leads to higher fixed costs with fewer KWh being sold and inflation outpacing sales growth.



Austin Energy FY 2022 Forecast Summary

Challenges and Opportunities

- **Financial position is stable but vulnerable**
- Many major decisions still in play
- Flat energy sales with increasing customers
- Declining average consumption threatens cost recovery (fixed costs in variable rates)
- Loss of dispatchable generation reduces wholesale market revenues
- Increasing debt service costs due to aggressive CIP spending in prior years
- Margins are sustained only with planned asset disposals and base rate increase
- Pending base rate change effective FY2024 offset by significant reduction to the PSA as NAC moves to base rates and impact of Winter Storm Uri is realized
- Net income is challenged but cash position continue to remain strong
- Restricted cash reserves increasing
- Forecasted rates remain well-below 2% affordability metric and currently 2.5% below state-wide average system rate



Austin Energy Fiscal Year 2022 Forecast and Budget Planning

Budget Planning



Austin Energy FY 2022 Budget Planning

Summary

- Much of Austin Energy's \$1.4B budget is comprised of costs that cannot be significantly changed in the short run
- Program costs are inputs to the budget (*e.g. Resource Plan and Customer Assistance Program*)
- Relatively flat base rate revenues with assumed cost escalators limit new initiatives without trade-offs
- Power supply costs and the Power Supply Adjustment tariff structure present that greatest volatility in the budget
- Capital spending focuses on meeting continued customer growth, with increased capital spending in substations, district cooling projects and warehouse space
- The FY 2022 budget will look very similar to the FY 2021 budget



Austin Energy Financial Reports

Austin Energy is required to report its financial performance in two separate and distinct formats, the Fund Summary and Financial Statements. These two reports will not necessarily match and are used for different purposes.

Fund Summary ⁽¹⁾

- Reports the approved budget and actual revenues and expenditures
- Funds are structured to reflect the operating activities of the utility
- Represents cash received and payments expected to be paid during the fiscal year
- Encumbrances recognized in the year committed
- Relied upon by City of Austin stakeholders to ensure compliance with approved budget

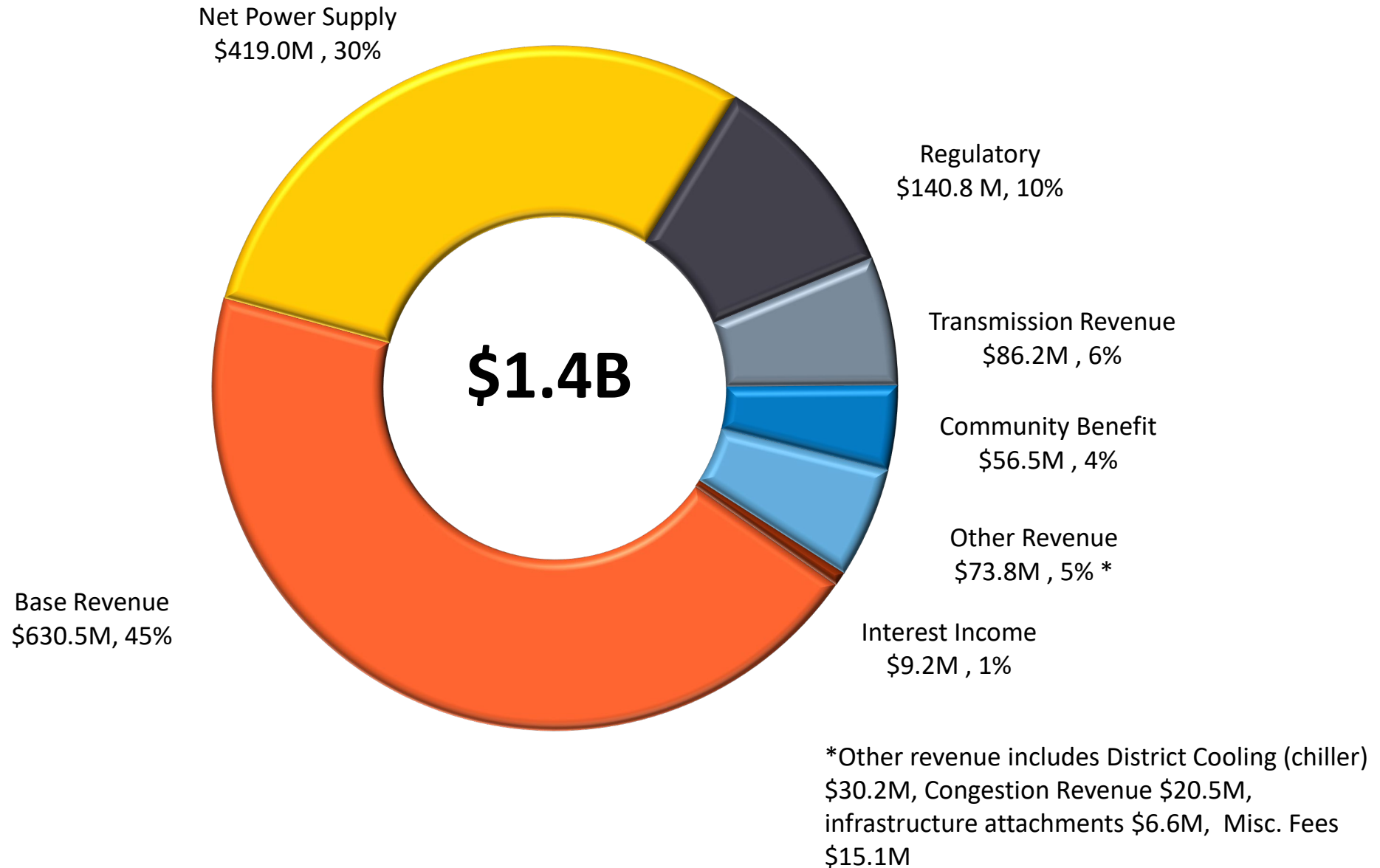
GAAP Financial Statements ⁽²⁾

- Reports the Statement of Revenues, Expenses and Fund Net Position, Statement of Net Position and Statement of Cash Flows (Comprehensive Annual Financial Report)
- Used to account for services for which the utility charges its customers
- Must comply with Generally Accepted Accounting Principles (GAAP) and subject to an annual audit
- Revenue is recognized when earned and expenses recorded when a liability is incurred
- Includes non-cash items such as depreciation and amortization
- Relied upon by City of Austin stakeholders, joint project partners, credit rating agencies, external bond holders and vendors to gauge financial health and integrity

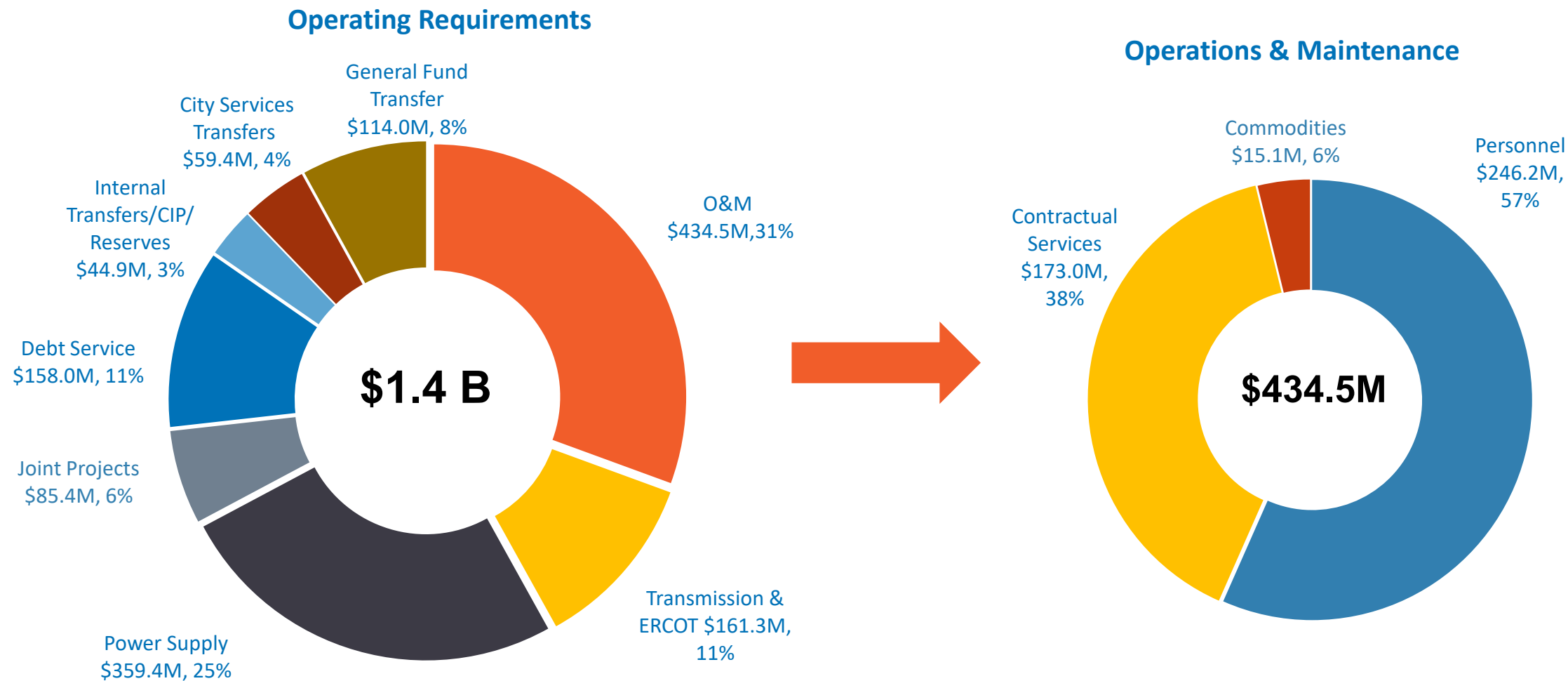


⁽¹⁾ ⁽²⁾ Provided in separate handout

FY 2021 Sources of Revenue



Resources that Austin Energy Uses for its Operations in FY2021



Non-Discretionary Requirements FY 2021

Austin Energy's budget includes spending which is non-discretionary in nature. Austin Energy has little or no control over the required spending levels in the short or mid-range time horizon.

Component of the Non-Discretionary Requirements	Fiscal Year 2021 Amended Amount
Transmission & ERCOT: Austin Energy purchases the power it needs from ERCOT to serve its customers. This represents the cost to transmit that power to the Austin Energy load zone which is equivalent to $\approx 4\%$ of ERCOT's total cost for transmission.	\$161.3M
Debt Service: Austin Energy has approximately \$1.9 Billion in commercial paper and bonds. This represents the principal and interest payment on that debt.	\$158.0M
General Fund Transfer: By policy, Austin Energy transfers 12% of its non-power supply revenue less District Cooling revenue (3-year average is used) to the City's General Fund.	\$114.0M
Internal Transfers/Capital Spending/Reserves: By policy, Austin Energy funds approximately 35-60% of capital projects with cash. Austin Energy also funds and maintains certain Reserves with this cash. This represents the transfer of cash to those accounts.	\$39.9M
Joint Projects: Austin Energy partners with CPS Energy and NRG Energy at South Texas Nuclear Project and the Lower Colorado River Authority at Fayette Power Plant. This represents Austin Energy's share of the operating cost for those joint projects.	\$85.4M
City Services: Austin Energy uses the services of other City departments such as fleets, technology, legal, City Manager's Office and City Council. This represents Austin Energy's direct and allocated costs from the City.	\$53.0M
Economic Development Fund Transfer: Austin Energy, Austin Water and Austin Resource Recovery provide funding for the City's Economic Development Fund. This represents Austin Energy's allocation of costs from the City.	\$8.4M
Total Non-Discretionary Requirements	\$620.0M



Power Supply Costs FY 2021

Austin Energy's budget includes the recovery of power supply costs. This presents the net cost of the electricity needed to serve our retail customers. These cost are largely non-discretionary as they are driven by market pricing, response to customer load and the requirements of the Resource Plan. Positive wholesale revenue reduces retail customers' costs. Properly managed, generation acts as a physical hedge for serving our load.

Components of Power Supply Cost	Fiscal Year 2021 Budgeted Amount
Estimated revenue earned by selling power to ERCOT from our generation facilities and our renewable energy Purchase Power Agreements (wholesale market). The price is based upon competitive market pricing. Actual revenues can fluctuate significantly.	(\$442.9M)
Less: Estimated cost of the fuel and Purchase Power Agreements used to generate power (wholesale market). Fuel cost are based upon competitive market pricing and Purchase Power Agreements are based on contract rates. Actual cost can fluctuate significantly.	\$417.5M
Less: Estimated cost of power purchased from ERCOT to serve retail customers (retail market). The amount of power required to serve our customers is fairly predictable, but the cost is market based and can fluctuate significantly. Austin Energy hedges energy prices as a way to protect the utility from price spikes.	\$364.2M
Less: ERCOT cost associated with serving Austin Energy's load (retail market). Austin Energy incurs certain costs associated with its need to serve retail customers.	\$20.6M
Net Power Supply Cost	\$359.4M



Operations & Maintenance FY 2021

Austin Energy's budget includes expenditures for Operations & Maintenance. This spending represents Contractuals, Commodities and Personnel. Portions of this budget are controllable or discretionary, but much is necessary to support efficient and safe operations of the utility. Reductions in proper maintenance leads to increased capital costs.

Operations & Maintenance Component	Fiscal Year 2021 Amended Amount
Personnel: Austin Energy is authorized 1,813 employees and 112 temporary employees. An assumption is made that 6% of the positions will be vacant at any one time. This represents 94% of the cost for salaries, payroll taxes, benefits and 100% of the cost of health insurance.	\$246.2M
Contractuals: Austin Energy requires support of contractors, consultants and support services to provide for safe, efficient and clean electricity. Austin Energy also requires support to meet certain policy requirements, such as energy efficiency and demand reduction. This represents expenses and payments for those contractual items. <i>(Discussed in more detail later)</i>	\$173.2M
Commodities: Austin Energy requires software, tools, chemicals, safety equipment, replacement materials and parts to operate and maintain the utility. This represents expenses and payments for those commodities. <i>(Discussed in more detail later)</i>	\$15.1M
Total Operations & Maintenance Requirements	\$434.5M



Contractuals: Top Ten Items FY 2021

Austin Energy's Contractuals budget for 2021 is \$266.4 Million. It is offset with \$93.2 Million of interdepartmental reimbursements and refunds. The top ten items within the Contractuals budget represent \$135. Million, or 51% of the entire Contractuals budget.

Total Value in Contractual Expense Category for Fiscal Year 2021	\$266,391,999
Maintenance - Computer Hardware/Software	\$28,715,890
Conservation and Solar Rebates	\$22,486,910
Line Clearance Services, Distribution & Transmission	\$20,000,000
Maintenance - General Plant Equipment	\$12,738,856
Information Technology Contract Employees	\$11,422,764
Information Technology Consulting Services	\$10,923,691
Temporary Contract Employees in Customer Care	\$9,407,314
Bad Debt Expense	\$8,774,666
Real Estate Leasing for Office Space	\$5,628,756
Liability Insurance Premiums on Assets	\$5,182,000
Total Value of Top Ten Items in Contractuals	\$135,280,847



Commodities: Top Ten Items FY 2021

Austin Energy's Commodities budget for 2021 is \$15.1 Million. The top ten items within the Commodities budget represent \$10.2 Million, or 67% of the entire Commodities budget.

Total Value in Commodities Expense Category for Fiscal Year 2021	\$15,113,130
Inventory Purchase	\$1,575,000
Small Tools/Minor Equipment	\$1,289,041
Office Furnishings	\$1,239,235
Safety Equipment	\$1,214,708
Chemicals	\$1,033,855
Software	\$1,021,279
Minor Computer Hardware	\$979,069
Clothing/Clothing Material	\$638,517
Electrical Conductors - Hardware/Wire/Cable	\$625,835
Educational/Promotional Materials	\$565,459
Total Value of Top Ten Items in Commodities	\$10,181,998





**Customer Driven.
Community Focused.**



Confidential & Proprietary ©2018 Austin Energy. All rights reserved. Austin Energy and the Austin Energy logo and combinations thereof are trademarks of Austin Energy, the electric department of the City of Austin, Texas. Other names are for informational purposes only and may be trademarks of their respective owners.

AUSTIN ENERGY FUND
For the Fiscal Year Through September 30, 2020

	Approved Budget	Amended Budget	September w/Encumb	Year to Date w/Encumb	Year-End Estimate	Variance Fav (Unfav)	% Variance Fav (Unfav)
BEGINNING BALANCE	364,417,031	364,417,031		413,409,738	413,409,738	48,992,707	13.4%
REVENUE							
Base Revenue	630,361,573	630,361,573	60,190,931	617,506,790	617,506,790	(12,854,783)	(2.0%)
Power Supply Revenue	421,981,148	421,981,148	40,718,528	420,065,608	420,065,608	(1,915,540)	(0.5%)
Community Benefit Revenue	56,284,808	61,284,808	10,088,938	54,577,926	54,577,926	(6,706,882)	(10.9%)
Regulatory Revenue	138,012,724	138,012,724	13,144,248	153,368,687	153,368,687	15,355,963	11.1%
Transmission Revenue	84,317,165	84,317,165	7,022,457	83,791,065	83,791,065	(526,100)	(0.6%)
Transmission Rider	0	0	0	0	0	0	0.0%
Other Revenue	64,644,138	64,644,138	4,527,008	49,973,450	49,973,450	(14,670,688)	(22.7%)
Interest Income	14,084,678	14,084,678	580,499	10,577,499	10,577,499	(3,507,179)	(24.9%)
TOTAL REVENUE	1,409,686,234	1,414,686,234	136,272,609	1,389,861,025	1,389,861,025	(24,825,209)	(1.8%)
TOTAL AVAILABLE FUNDS	1,409,686,234	1,414,686,234	136,272,609	1,389,861,025	1,389,861,025	(24,825,209)	(1.8%)
OPERATING REQUIREMENTS							
Power Supply	362,116,248	362,116,248	31,819,004	367,919,380	367,919,380	(5,803,132)	(1.6%)
Recoverable Expenses	153,012,724	153,012,724	12,310,640	144,926,370	144,926,370	8,086,354	5.3%
Non-Fuel Operations & Maintenance	352,035,576	352,035,576	25,001,827	366,335,558	366,335,558	(14,299,982)	(4.1%)
Conservation	15,640,663	15,640,663	1,441,461	12,028,773	12,028,773	3,611,890	23.1%
Conservation Rebates	23,123,501	23,123,501	2,298,864	18,419,758	18,419,758	4,703,743	20.3%
Nuclear & Coal Plants Operating	96,442,360	96,442,360	5,728,994	98,983,652	98,983,652	(2,541,292)	(2.6%)
Other Operating Expenses	5,444,301	5,444,301	1,556,737	5,750,012	5,750,012	(305,711)	(5.6%)
TOTAL OPERATING REQUIREMENTS	1,007,815,373	1,007,815,373	80,157,528	1,014,363,502	1,014,363,502	(6,548,129)	(0.6%)
OTHER REQUIREMENTS							
Accrued Payroll	573,267	573,267	573,267	573,267	573,267	0	0.0%
TOTAL OTHER REQUIREMENTS	573,267	573,267	573,267	573,267	573,267	0	0.0%
SUBTOTAL BEFORE TRANSFERS	1,008,388,640	1,008,388,640	80,730,795	1,014,936,769	1,014,936,769	(6,548,129)	(0.6%)
SUBTOTAL BEFORE TRANSFERS OUT	1,008,388,640	1,008,388,640	80,730,795	1,014,936,769	1,014,936,769	(6,548,129)	(0.6%)
DEBT SERVICE							
General Obligation Debt Service	1,152	1,152	0	876	876	276	24.0%
Current Year Capital Lease	125,209	125,209	0	136,194	136,194	(10,985)	(8.8%)
Debt Service (Principal and Interest)	153,921,915	153,921,915	17,671,032	151,571,984	151,571,984	2,349,931	1.5%
TOTAL DEBT SERVICE	154,048,276	154,048,276	17,671,032	151,709,054	151,709,054	2,339,222	1.5%
TRANSFERS OUT							
Electric Capital Improvement Program	80,495,689	80,495,689	6,152,418	80,495,689	80,495,689	0	0.0%
General Fund	111,000,000	111,000,000	9,250,000	111,000,000	111,000,000	0	0.0%
Contingency Reserve	0	0	0	0	0	0	0.0%
Voluntary Utility Assistance Fund	600,000	5,600,000	2,500,000	5,600,000	5,600,000	0	0.0%
Trunked Radio	892,059	892,059	0	767,329	767,329	124,730	14.0%
Workers' Compensation	1,514,778	1,514,778	126,226	1,514,778	1,514,778	0	0.0%
Other City Transfers	3,592,853	3,592,853	965,409	3,468,199	3,468,199	124,654	3.5%
Administrative Support	29,544,635	29,544,635	2,462,052	29,544,635	29,544,635	0	0.0%
Communication and Technology Management Fund	11,224,739	11,224,739	935,394	11,224,739	11,224,739	0	0.0%
Economic Development Fund	9,069,619	9,069,619	755,797	9,069,619	9,069,619	0	0.0%
Power Supply Stabilization Reserve Fund	0	0	0	0	0	0	0.0%
AE Capital Reserve Fund	0	0	0	0	0	0	0.0%
TOTAL TRANSFERS OUT	247,934,372	252,934,372	23,147,297	252,684,988	252,684,988	249,384	0.1%
TOTAL REQUIREMENTS	1,410,371,288	1,415,371,288	121,549,124	1,419,330,811	1,419,330,812	(3,959,524)	(0.3%)
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	(685,054)	(685,054)	14,723,485	(29,469,786)	(29,469,786)	(28,784,732)	4201.8%
ENDING BALANCE	363,731,977	363,731,977		383,939,952	383,939,952	20,207,974	5.6%

Proprietary Funds
Statement of Net Position
September 30, 2020
(In thousands)

	<u>Austin Energy</u>
ASSETS	
Current assets:	
Cash	\$ 26
Pooled investments and cash	402,292
Pooled investments and cash - restricted	38,185
Total pooled investments and cash	<u>440,477</u>
Investments - restricted	81,383
Cash held by trustee	--
Cash held by trustee - restricted	--
Working capital advances	2,724
Accounts receivable, net of allowance	141,686
Interest receivable	1,176
Receivables from other governments	--
Receivables from other governments - restricted	1,596
Due from other funds	392
Inventories, at cost	98,220
Prepaid items	21,566
Other receivables - restricted	--
Other assets	3,500
Total current assets	<u>792,746</u>
Noncurrent assets:	
Cash - restricted	4,839
Pooled investments and cash - restricted	65,646
Advances to other funds	6,105
Advances to other funds - restricted	--
Investments - restricted	297,288
Investments held by trustee - restricted	235,554
Interest receivable - restricted	464
Depreciable capital assets, net	2,669,442
Nondepreciable capital assets	298,395
Derivative instruments - energy risk management	96
Regulatory assets, net of accumulated amortization	941,174
Other receivables - restricted	5,369
Other long-term assets	740
Other long-term assets - restricted	52,945
Total noncurrent assets	<u>4,578,057</u>
Total assets	<u>5,370,803</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 454,456</u>

Proprietary Funds
Statement of Net Position
September 30, 2020
(In thousands)

	<u>Austin Energy</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 86,180
Accounts and retainage payable from restricted assets	16,815
Accrued payroll	10,144
Accrued compensated absences	11,867
Claims payable	242
Due to other funds	--
Due to other governments	4,349
Accrued interest payable from restricted assets	28,253
Interest payable on other debt	60
Bonds payable	--
Bonds payable from restricted assets	78,890
Other postemployment benefits liability	6,818
Capital lease obligations payable	63
Customer and escrow deposits payable from restricted assets	36,991
Accrued landfill closure and postclosure costs	--
Decommissioning liability payable from restricted assets	1,194
Other liabilities	1,133
Other liabilities payable from restricted assets	517
Total current liabilities	<u>283,516</u>
Noncurrent liabilities, net of current portion:	
Accrued compensated absences	1,633
Claims payable	10
Advances from other funds	--
Advances from other funds payable from restricted assets	--
Commercial paper notes payable, net of discount	162,480
Bonds payable, net of discount and inclusive of premium	1,821,102
Net pension liability	325,229
Other postemployment benefits liability	417,226
Capital lease obligations payable	756
Accrued landfill closure and postclosure costs	--
Asset retirement obligations	416,680
Derivative instruments - energy risk management	76
Derivative instruments - interest rate swaps	--
Other liabilities	34,108
Other liabilities payable from restricted assets	1,792
Total noncurrent liabilities	<u>3,181,092</u>
Total liabilities	<u>3,464,608</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>\$ 486,654</u>

Proprietary Funds
Statement of Net Position
September 30, 2020
(In thousands)

	<u>Austin Energy</u>
NET POSITION	
Net investment in capital assets	\$ 626,987
Restricted for:	
Bond reserve	32,034
Capital projects	51,244
Debt service	53,130
Operating reserve	--
Passenger facility charges	--
Renewal and replacement	70,293
Strategic reserve	217,419
Unrestricted	822,890
Total net position	<u><u>\$ 1,873,997</u></u>
Reconciliation to government-wide Statement of Net Position	
Adjustment to consolidate internal service activities	37,305
Total net position - Business-type activities	<u><u>\$ 1,911,302</u></u>

Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the year ended September 30, 2020
(In thousands)

	<u>Austin Energy</u>
OPERATING REVENUES	
Utility services	\$ 1,373,556
User fees and rentals	--
Billings to departments	--
Employee contributions	--
Operating revenues from other governments	--
Other operating revenues	--
Total operating revenues	<u>1,373,556</u>
OPERATING EXPENSES	
Operating expenses before depreciation	1,132,315
Depreciation and amortization	286,142
Total operating expenses	<u>1,418,457</u>
Operating income (loss)	<u>(44,901)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest and other revenues	16,334
Interest on revenue bonds and other debt	(70,641)
Passenger facility charges	--
Loss on in-substance defeasance	--
Cost (recovered) to be recovered in future years	138,250
Other nonoperating revenue (expense)	2,397
Total nonoperating revenues (expenses)	<u>86,340</u>
Income (loss) before contributions and transfers	41,439
Capital contributions	43,908
Transfers in	168
Transfers out	(120,070)
Change in net position	<u>(34,555)</u>
Beginning net position	<u>1,908,552</u>
Ending net position	<u><u>\$ 1,873,997</u></u>
Reconciliation to government-wide Statement of Activities	
Change in net position	(34,555)
Adjustment to consolidate internal service activities	5,054
Change in net position - Business-type activities	<u><u>\$ (29,501)</u></u>

Proprietary Funds
Statement of Cash Flows
For the year ended September 30, 2020
(In thousands)

	<u>Austin Energy</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 1,405,141
Cash received from other funds	29,865
Cash payments to suppliers for goods and services	(725,664)
Cash payments to other funds	(60,783)
Cash payments to employees for services	(227,216)
Cash payments to claimants/beneficiaries	(46)
Taxes collected and remitted to other governments	(42,554)
Net cash provided by operating activities	<u>378,743</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfers in	168
Transfers out	(120,070)
Collections from other sources	--
Loans to other funds	--
Loans from other funds	--
Loan repayments to other funds	--
Loan repayments from other funds	445
Collections from other governments	5,163
Net cash provided (used) by noncapital financing activities	<u>(114,294)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from the sale of commercial paper notes	135,850
Proceeds from the sale of general obligation bonds and other tax supported debt	--
Proceeds from the sale of revenue bonds	--
Principal paid on long-term debt	(79,140)
Proceeds from the sale of capital assets	834
Interest paid on revenue bonds and other debt	(73,716)
Passenger facility charges	--
Acquisition and construction of capital assets	(265,971)
Contributions from state and federal governments	--
Contributions in aid of construction	43,908
Bond issuance costs	--
Bond premiums	--
Cash paid for bond defeasance	--
Bonds issued for advanced refundings of debt	9
Cash paid for bond refunding escrow	(9)
Cash paid to payoff commercial paper	--
Cash paid for nuclear fuel inventory	(16,321)
Net cash provided (used) by capital and related financing activities	<u>(254,556)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of investment securities	(533,077)
Proceeds from sale and maturities of investment securities	530,785
Interest on investments	7,830
Net cash provided (used) by investing activities	<u>5,538</u>
Net increase (decrease) in cash and cash equivalents	15,431
Cash and cash equivalents, beginning	495,557
Cash and cash equivalents, ending	<u><u>\$ 510,988</u></u>

Proprietary Funds
Statement of Cash Flows
For the year ended September 30, 2020
(In thousands)

Austin Energy

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED BY OPERATING ACTIVITIES:**

Operating income (loss)	\$ (44,901)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	286,142
Change in assets and liabilities:	
Decrease in working capital advances	(326)
(Increase) decrease in accounts receivable	5,619
Increase in allowance for doubtful accounts	1,520
Increase in receivables from other governments	--
(Increase) decrease in inventory	(18,486)
(Increase) decrease in prepaid expenses and other assets	31,738
Increase in advances to other funds	--
Decrease in other long-term assets	20,893
(Increase) decrease in deferred outflows	(76,573)
Decrease in accounts payable	(1,249)
Increase in accrued payroll and compensated absences	3,828
Increase in claims payable	20
Increase (decrease) in customer deposits	13,292
Increase (decrease) in net pension liability	6,450
Increase in other postemployment benefits liability	129,883
Increase (decrease) in other liabilities	95
Increase (decrease) in deferred inflows	20,798
Total adjustments	423,644
Net cash provided by operating activities	\$ 378,743

**NONCASH INVESTING, CAPITAL AND FINANCING
ACTIVITIES:**

Capital assets contributed from other funds	\$ --
Capital assets contributed to other funds	--
Contributed facilities	--
Increase in the fair value of investments	428
Amortization of bond (discounts) premiums	10,353
Amortization of deferred loss on refundings	(4,274)
Gain (loss) on disposal of assets	(2,802)
Costs (recovered) to be recovered	138,250
Transfers from other funds	--
Transfers to other funds	--

Energy Market Economics & Texas Regulatory Framework

Erika Bierschbach

Vice President, Energy Market Operations & Resource Planning



April 19, 2021

© 2018 Austin Energy

The Public Utility Commission of Texas

- **PURA 39 – established a fully competitive electric power industry**
 - Authority to oversee electric market structure
 - Adopts rules addressing market
 - Appellate authority over ERCOT protocols adopted by ERCOT board
- **Complete authority over ERCOT finances, budget and operations with oversight by Texas Legislature**
 - Approves ERCOT Bylaws
- **16-member ERCOT Board composition is established by law**
 - Currently under review by the Texas State Legislature



ERCOT Corporate Governance

(Electric Reliability Council of Texas)

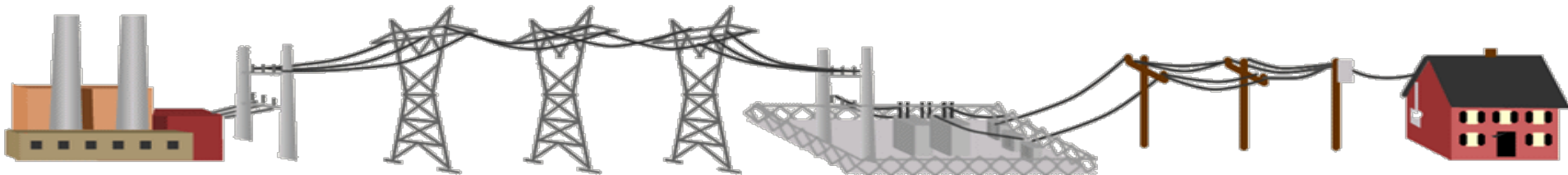
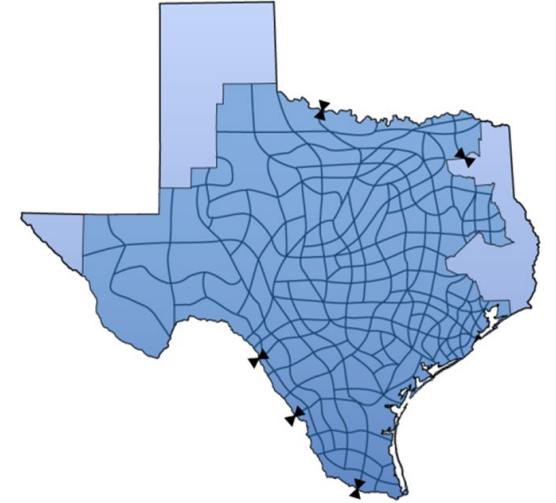
- Founded in 1970
- TX Legislature enacted laws governing all ERCOT activities
 - See PURA Section 39.151
- Tx non-profit corporation with members from seven market segments:
 - Consumers (Commercial, industrial, residential)
 - Cooperatives
 - Independent Generators
 - Independent Retail Electric Providers
 - Investor-Owned Utilities
 - Municipals



ERCOT Responsibilities

ERCOT's Primary Responsibility is Reliability

- Match generation with demand
 - Settlements
 - Retail switching
 - Transmission access



Executes competitive markets for reliability services



ERCOT Mechanics

Electric Wholesale Market

Austin Energy's Owned
and Contracted Assets

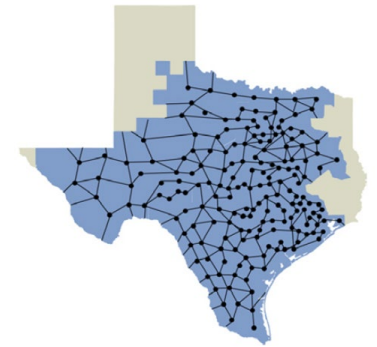


Austin Energy delivers generation to
ERCOT's Wholesale Market

- 430 MW Nuclear
- 600 MW Coal
- 1,161 MW Natural Gas
- 108 MW Biomass
- 1,795 MW Wind
- 1,216 MW Solar *



** includes signed contracts not yet online*



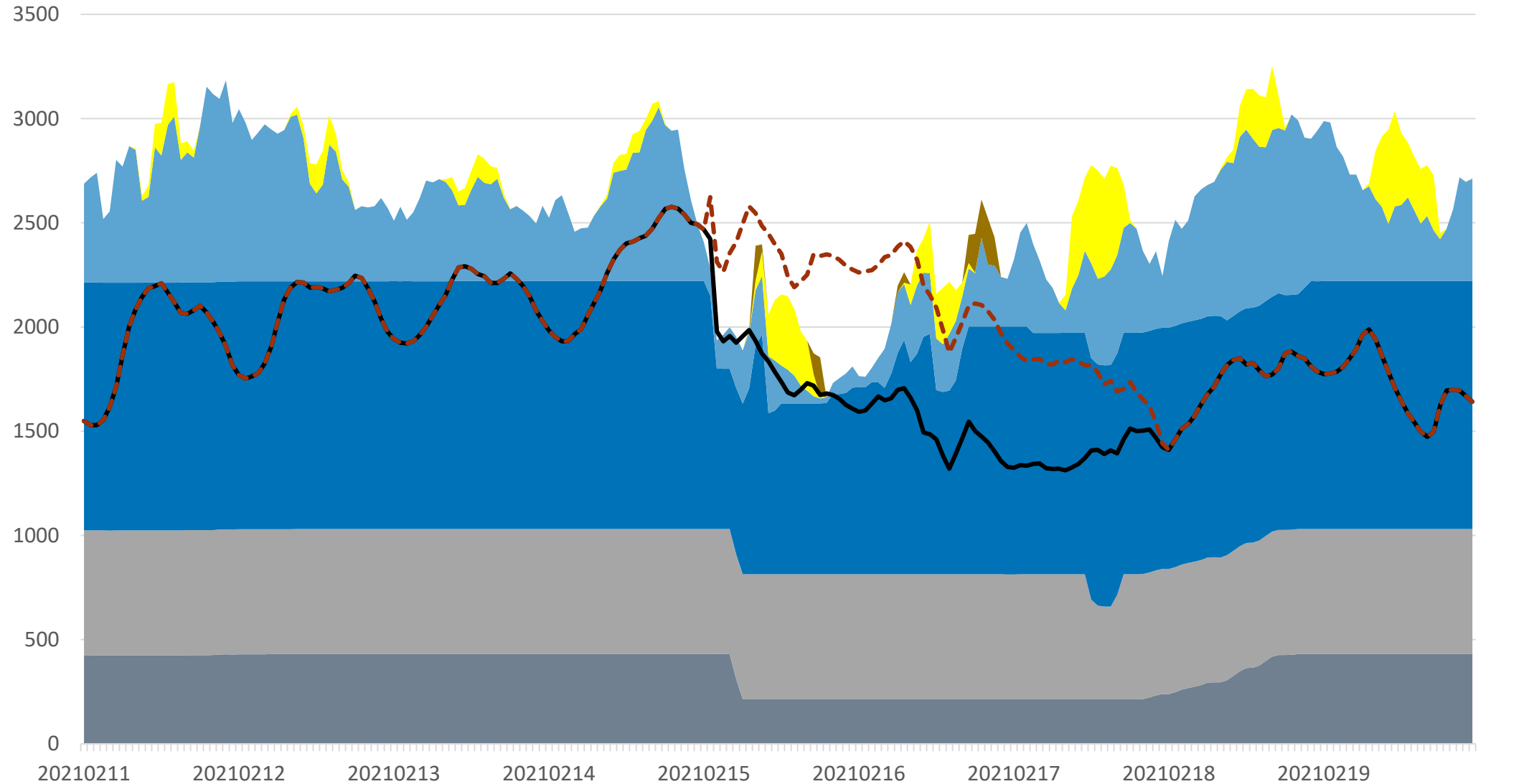
How Does Austin Energy (AE) Participate?

- AE does not self supply its generation to its customers
- AE's participation in the ERCOT market is not optional
- AE's generation competes in ERCOT's deregulated wholesale market
- AE is a Municipal Market Participant / Non-Opt-In Entity
- AE is a Load Serving Entity – purchases customer's power from grid at city's load zone
 - ***ERCOT charges AE for all power we pull from grid / market at AE's load zone price***
- AE is a Generator – sells electric resources to grid at locations throughout the state
 - ***ERCOT pays AE for all power we offer grid / market at prices at each resource***

How was Austin Energy's portfolio prepared for 2021's February Winter Event?



Supply (Capacity) by Fuel Source vs Austin Energy Load during February 2021 Winter Event



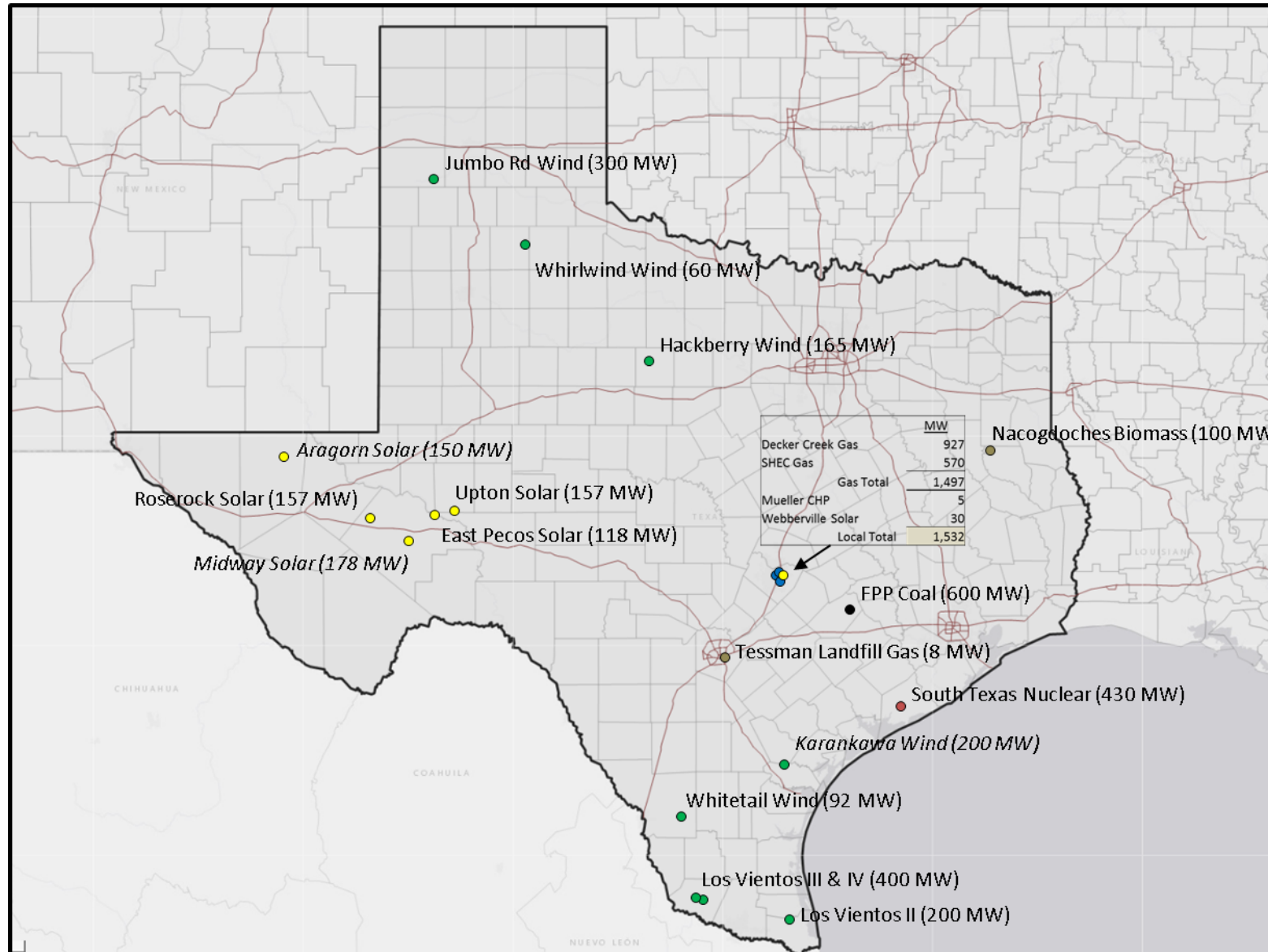
Austin Energy's been hedging since 2003

- AE has an internal Risk Oversight Committee which has been in place for 18 years.
 - Meets monthly
 - Daily and monthly reports
- AE has a robust competitive RFP process selecting strategic assets for customer's portfolio.
 - Internal expertise originating projects, not outsourced
 - Comprehensive stochastic and fundamental modeling combined with extensive analytics
 - Comprehensive approval process within utility and city
- AE diversifies the portfolio
 - Renewable and conventional generation
 - Renewable projects in many parts of the state (different generation profiles, minimize congestion risk)
 - Projects steadily layered in overtime in small chunks allows for dollar cost averaging
- AE actively manages its portfolio, hedging program in place for 18 years
 - Sophisticated risk management tools and long-standing policies employed in forward, day ahead and real time markets to mitigate price risk
 - Power Supply Adjustment metrics reviewed monthly by Oversight Committee measures portfolio performance



Public power hedging has strict rules around risk management – no speculation

Austin Energy is diversified



Power Supply Adjustment (PSA) Drivers

PSA is a Pass Thru

Major Elements Impacting PSA

Cost Drivers

Load Zone Costs
Austin Demand

Owned Assets
Austin Supply

Contracted Assets
Austin Supply

Over /
Under
Balance

Customer
Growth

Weather

Generator
Availability

Market
Price

Intermittency

Location

PSA Rate to
Market Price
Spread

Natural Gas
Price

Transmission
Congestion

Forward
Price Curve

Weather

Market
Price

Contract
Price



Questions?



Briefing on Energy Markets and Customer Bills

Adam McInroy

Finance Director for Risk and Settlements



April 19, 2021

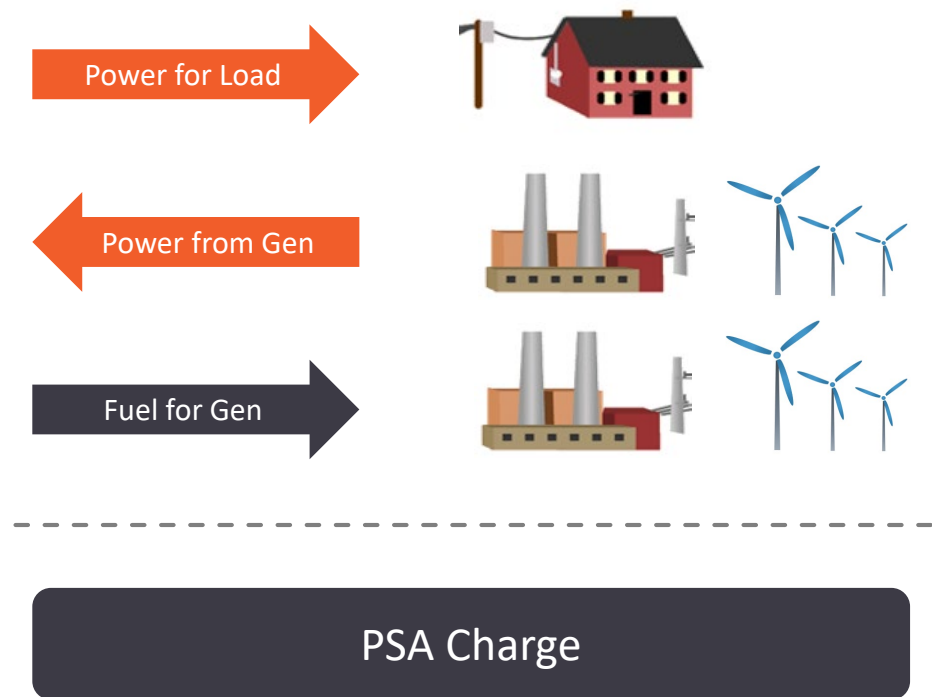
© 2018 Austin Energy

Energy Markets and the Power Supply Adjustment

Energy market costs and revenues are passed to customers on a dollar-for-dollar basis, through the power supply adjustment (PSA) charge on customer bills.

PSA cash flows encompass:

- Purchases for customer usage
- Sales from generation
- Purchases for fuel and renewable energy
- Risk management of power costs
- GreenChoice collections
- Value of Solar payments to customers



Daily Power Markets, Annual PSA Rates

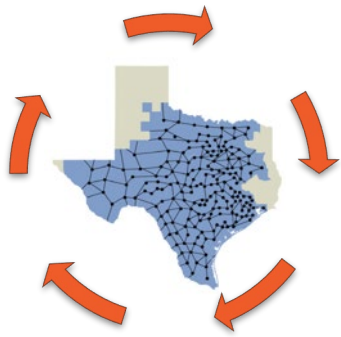
Energy markets are extremely dynamic

- Hourly price movement, daily settlement
- Multiple market environments
- Many commodities and locations
- Dependence on uncertain weather

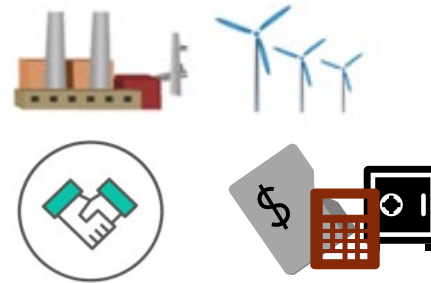
Austin Energy mitigates this for customers

- Diversified physical resources
- Risk management activities
- Liquidity and financial management
- Analysis and planning

Dynamic Power Markets



Austin Energy Activities



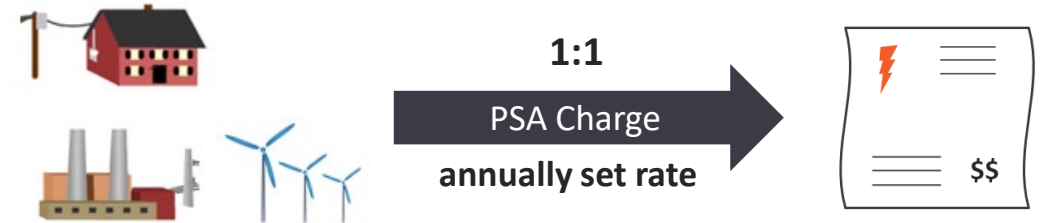
Stable, Annual Rate



PSA Billing

PSA costs are collected from customers as a pass-through charge on customer bills.

- Recovers energy market costs
 - Across the system
 - Over twelve month rate year
- Dollar-for-dollar pass through
- No general fund transfer on PSA
- Roughly 31% of residential customer bills¹



⁽¹⁾ City of Austin Residential Non-CAP Customer using 860 KWh (2019 Typical Monthly Consumption)¹⁵

PSA Rate Adjustment Process

The PSA rate for customer bills is generally adjusted once per year, during the annual budget cycle.

- Daily energy market revenue changes do not directly impact customer bills
- Rate returns any PSA balance built up from daily activity
- Off-cycle adjustment if needed, for new twelve-month rate

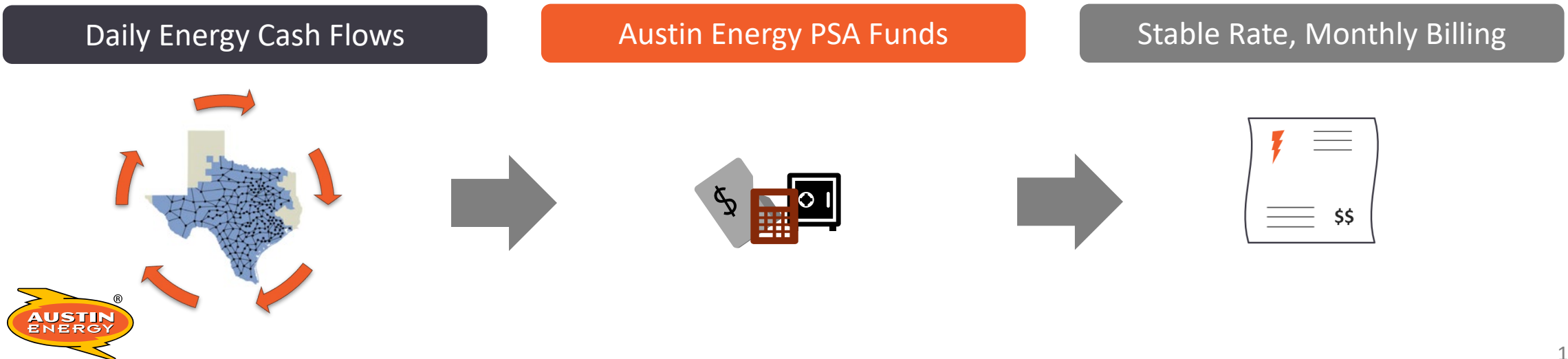


PSA Funds and Liquidity

Austin Energy's cash and liquidity balances help customers experience measured changes in their power supply costs.

Across the Texas utility industry, these balances came to be of concern for bondholders and ratings agencies after the winter event.

Austin Energy's liquidity and finances remained healthy throughout the winter event.



Bond Market Communication

To meet its obligations to make bondholders aware of significant events and risks, Austin Energy and City of Austin Treasury made a financial disclosure to the bond market on March 8th.

In the disclosure, Austin Energy and Treasury communicated that, during the event:

- Cash liquidity remained strong
- Austin Energy supplied generation in excess of load to ERCOT
- Event energy revenue may fully offset costs
- Settlements are not yet complete
- Many uncertainties remain



PSA Discussion Summary

Austin Energy manages dynamic daily energy markets to provide stable, affordable, annually set PSA rates to customers.

PSA charges are passed through to customers with no GFT.

By using its own liquidity on customers' behalf, the utility must occasionally give guidance to bond markets on its financial health.

Austin Energy is financially healthy after the winter event, and looks forward to continuing to offer stable PSA rates for our customers going forward.



Questions?



Load Shed

Tom Pierpoint

Vice President Electric System Engineering & Technical Services



April 19, 2021

© 2018 Austin Energy

Load Shed

- **Load Shed is typically accomplished through Rotating Outages**
 - Automated program used on those feeders available for load shed events
 - Feeder may not be available due to critical loads and frequency protection
 - Feeder originates at substation and serves thousands of customers
 - Each feeder can be up to several miles in length and serve many communities
 - Extreme ERCOT-mandated reductions can consume AE Load Shed capabilities and prevent rotation
 - After Actions:
 - Looking into potential to power critical loads while others are cycled -- could include segmenting, sectionalizing, and/or reconfiguring feeders, where feasible.
 - Automated Metering solutions will be explored but technical risks and limitations exist
 - Leverage resources from EPRI (Electrical Power Research Institute)
- **Other types of Load Shed also exist**
 - Mostly comprised of larger Commercial and Industrial (C&I) customers that cannot be cycled
 - Load Shed is not automated; Close coordination is required to ensure safety
 - After Actions:
 - Work with ERCOT and C&I customers to develop a more automated program



Questions?



Thank you!



**Customer Driven.
Community Focused.SM**



**EUC Report re Council Action
April 19, 2021**

Item below recommended by EUC October 12; Council approved on date indicated in parenthesis.

11. (3/4) [Purchasing: Various depts; AE's portion \$1,350,000] Authorize award of a multi-term contract with Expert Relocation Services, LLC, to provide citywide moving and relocation services, for up to five years for a total contract amount not to exceed \$5,783,500.

Items below recommended by EUC January 11; Council approved on date indicated in parenthesis.

8. (3/4) [Purchasing] Authorize negotiation and execution of a cooperative contract with Freeit Data Solutions, Inc., for information technology professional services for the Advance Distribution Management System and Supervisory Control and Data Acquisition Energy Management System , for a term of five years in an amount not to exceed \$750,000.
9. (3/4) [Purchasing – Multiple Departments; AE's estimated portion: \$300K] Authorize an amendment to an existing cooperative contract with Insight Public Sector Inc D/B/A Insight Public Sector, to continue the Adobe Enterprise License Agreement and related services, for an increase in the amount of \$1,300,000 and to extend the term by three years, for a revised total contract amount not to exceed \$1,741,563.
11. (3/4) [Purchasing – Multiple Departments; AE's estimated portion: \$908K] Authorize award of eight contracts for COVID-19 temperature screening services, with InGenesis, Inc.; Arch Staffing and Consulting, LLC; Donald L Mooney Enterprises, LLC; Acadia Workforce Inc.; Protouch Nurses, Inc; Ascend National LLC; Capitol Medical Services, LLC; and First Medical Response of Texas Inc.; each for a term of six months or until the contract amounts are expended in an amount not to exceed \$3,700,000, divided among the contractors.

Items below recommended by EUC February 8; Council approved on date indicated in parenthesis.

2. (3/4) [Capital Contracting] Authorize negotiation and execution of an amendment to the professional services agreement with Stanley Consultants, Inc., for professional engineering services for the Rainey Street Gas Insulated Switchgear Substation Design (formerly Future Downtown Gas Insulated Switchgear Substation Design) in the amount of \$1,436,895, for a total contract amount not to exceed \$2,895,895.
3. (3/4) [Capital Contracting] Authorize award and execution of a construction contract with DynaGrid Construction Group, LLC, for Bluff Springs Substation in the amount of \$7,407,380.03 plus a \$740,380 contingency, for a total contract amount not to exceed \$8,148,118.03.
4. (3/4) [Austin Energy] Authorize execution of 10-year extensions to existing electric service franchise agreements for the use of rights-of-way within other municipalities within the Austin Energy service territory, maintaining the payment amount of three percent of gross electric revenues from customers within each municipality.
5. (3/4) [Austin Energy and Austin Water] Approve an ordinance amending the fiscal year 2020-2021 budgets of Austin Water and Austin Energy to appropriate up to \$10,000,000 for the utilities' Plus-One payment assistance programs.
6. (3/4) [Purchasing] Authorize negotiation and execution of a contract with RecordPoint Software USA LLC, to provide Records365 enterprise electronic records management software solution, for a term of five years for a total contract amount not to exceed \$1,551,000.

Item 14

7. (3/4) [Purchasing] Authorize award of a multi-term contract with Lauren Concrete Inc., for ready-mix concrete, for up to five years for a total contract amount not to exceed \$8,700,000.
8. (3/4) [Purchasing] Authorize award of three multi-term contracts for three phase distribution padmount transformers, with KBS Electrical Distributors Inc.; WESCO Distribution, Inc. D/B/A Hi-Line Utility Supply Co, LLC aka Power Supply; and Techline Inc.; each for up to five years for total contract amounts not to exceed \$56,875,000, divided among the contractors.
9. (3/4) [Purchasing] Authorize award of a contract with Techline Inc, to provide substation circuit breakers in an amount not to exceed \$300,000.
10. (3/4) [Capital Contracting] Authorize negotiation and execution of a professional services agreement with the following 2 staff recommended firms (or other qualified responders) for Request for Qualifications Solicitation No. Solicitation CLMP312: HDR Engineering, Inc. and POWER Engineers, Inc., for engineering services for the Austin Energy Staff Augmentation, Engineering and Related Engineering Services for Electric System Engineering and Technical Services Rotation List in an amount not to exceed \$25,875,000 .
11. (3/4) [Purchasing Multi-Department; AE's estimated portion: \$234K] Authorize an amendment to an existing contract with SuccessFactors, Inc., to provide continued subscription for talent, performance, and learning management software, for an increase in the amount of \$315,000 and to extend the term by one year, for a revised total contract amount not to exceed \$2,921,702.
12. (3/4) [Purchasing] Authorize award of a contract with Texas Electric Cooperatives, to provide coupling capacitor voltage transformers, for five years for a total contract amount not to exceed \$585,000.
13. (3/25) [Purchasing Multi-Department; AE's estimated portion: \$272K] Authorize negotiation and execution of a cooperative contract with Carahsoft Technology Corp, to provide Smartsheet work management software licenses, maintenance and support, for up to five years for a total contract amount not to exceed \$600,000.
14. (3/4) [Austin Energy] Approve an ordinance authorizing acceptance of \$1,000,000 as part of the Office of Energy Efficiency and Renewable Energy (EERE) award from the U.S. Department of Energy (DOE) and amending the Fiscal Year 2020 - 2021 Austin Energy Operating Budget Special Revenue Fund (Ordinance No. 20200812-001) to appropriate \$1,000,000 for Building Technologies Proving Ground – Public Sector Field Validation Conservation Research and Development Program.

Items below recommended by EUC March 8; Council approved on date indicated in parenthesis.

2. (3/25) [Capital Contracting] Authorize negotiation and execution of a professional services agreement with Stanley Consultants, Inc., (staff recommendation) or one of the other qualified responders for Request for Qualifications Solicitation No. CLMP310 to provide engineering services for Relay and Protection Engineering Services for Electric System Engineering and Technical Services in amount not to exceed \$2,935,000.
3. (3/25) [Real Estate] Authorize the negotiation and execution of a Second Amendment to the Lease Agreement extending the term for 7 years, with one 7 year extension option, between SWC Research & Ohlen, L.P., a Delaware limited partnership and City of Austin, for the continued operation of an Austin Energy Walk-in Customer Service Center, for approximately 4,597 square feet of retail space at Plaza FAMSA shopping center, located at 8716 Research Blvd., in an amount not to exceed \$999,027.

Item 14

4. (4/8) [Purchasing] Authorize negotiation and execution of a multi-term contract with Asplundh Tree Expert LLC, or the other qualified offeror to Request for Proposals 1100 EAL3013, to provide vegetation management services on transmission energized lines, for up to five years for a total contract amount not to exceed \$17,500,000.
5. (4/8) [Purchasing] Authorize an amendment to an existing contract with MasTec North America Inc, for continued underground transmission and distribution electrical services, for an increase in the amount of \$12,000,000, for a revised total contract amount not to exceed \$72,000,000.
6. (4/8) [Purchasing] Authorize award of a multi-term contract with KBS Electrical Distributors Inc, for network protectors, for up five years for a total contract amount not to exceed \$10,000,000.
7. (4/8) [Purchasing] Authorize negotiation and execution of a multi-term contract with KBS Electrical Distributors Inc, or the other qualified offeror to Request For Proposals 1100 DTB3001, to provide circuit breakers, for up to five years for a total contract amount not to exceed \$7,000,000.00.
8. (4/8) [Purchasing; Multi-departmental; AE's portion: \$1.2M] Authorize amendments to existing cooperative contracts with AT&T Mobility, T-Mobile USA, Inc, and Cellco Partnership D/B/A Verizon, for continued wireless data network connectivity and related services and equipment, for an increase in the amount of \$8,094,000 and to extend the term by one year for a revised contract amount not to exceed \$25,625,000, divided among the contractors.