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Title: Draft Resolution - Approval of 2020 Capital Improvement Plan Budget Amendment for Purchase of Land and Improvements - Esperanza, Ridgmar, and Spanish Oak Substations - B Gedrich

Sponsors:

Indexes:

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Date	Ver.	Action By	Action	Result
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Draft Resolution - Approval of 2020 Capital Improvement Plan Budget Amendment for Purchase of Land and Improvements - Esperanza, Ridgmar, and Spanish Oak Substations - B Gedrich

Submitted By: Brian Gedrich

Department: Engineering

Financial Impact and Cost/Benefit Considerations: Expenditures of an estimated \$7,000,000 for substation property and improvements that were completed by LCRA for the new Esperanza, Ridgmar and Spanish Oak substations.

In order to support the ongoing Cooperative facility needs, a budget amendment is requested to provide capital funds for the substation land purchased and improvements for the Esperanza, Ridgmar and Spanish Oak substations. The substations were needed to support load growth in the Canyon Lake, Liberty Hill and Cedar Park Districts. LCRA was requested to purchase and develop the land for the Esperanza Substation, and per the CCN for the Round Rock to Leander transmission line, LCRA constructed both the Ridgmar and Spanish Oak Substations. PEC is to pay LCRA for the land and services. The Esperanza substation was completed and energized in 2019, but there were legal issues with the land transfer which caused the land cost to slip into 2020. The Ridgmar and Spanish Oak substation projects were originally budgeted and expected to be completed in 2019. Due to delays, the projects and/or expenditures were not completed until 2020. The three delayed substation projects will cause the 400 Budget Category to be exceeded more than 5%.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Board approve an amendment to the Cooperative's 2020 Capital Improvement Plan Budget as described herein for substation property and improvements for the Esperanza, Ridgmar and Spanish Oak substations; and

BE IT FURTHER RESOLVED, that the Chief Executive Officer or designee is authorized to take all such actions as needed to implement this resolution.