



NEWS RELEASE  
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## Austin Utilities gets approval to move forward with new facility

AUSTIN, Minn.— At a special board meeting held October 30th, Austin Utilities (AU) Board of Commissioners voted to approve proceeding with the construction of a new central facility, with a not to exceed cost of \$18,677,000. This facility is scoped to be a full service operational facility with all utility operations and customer service functions located at their Energy Park site, 23 acres in Austin's industrial park just south of Todd Park. "AU staff has done an excellent job of presenting a sensible solution to a long time problem the utility has had in efficiencies. The completion of this project will carry the organization well into the future," says board president Geoff Baker.

Plans are contingent on city council approving a special bond issuance to finance the project. Debt issuance and bonding will be reviewed with the city council in the next few months. The effect of the bond issuance will be an average increase to residential customers of \$8.18 per month. Business customers can expect to see increases in the range of one to three percent.

The decision is the result of several years of planning beginning in 2009 with the purchase of the Energy Park site. Says Mark Nibaur, AU general manager, "I commend the board for challenging our staff throughout this process to ensure we are representing the best interest of the community. TDKA, Joseph Company and staff performed an extensive analysis to be sure we examined all cost saving measures."

In 2012 staff presented the initial concept of a central facility to their board. Following this, a conceptual design was presented in June 2013, a schematic design in August 2014 and final costs were presented at this morning's special board meeting by TDKA, Joseph Company and AU staff. In July 2014, Joseph Company was selected to work with TDKA as Construction Manager to determine the guaranteed maximum price of two design options. One option, a central full service utility with all operations and customer service functions consolidated under one roof and the second option an operations center with customer service and administration remaining in downtown Austin.

Next steps will be to complete construction drawings for final bids. Plans are for bids to be completed in early 2015. Following that, construction will be scheduled to begin mid-2015 and staff move-in late 2016.

Austin Utilities Board and Staff are looking to better meet the needs of AU customers now and into the future by investing in their infrastructure. A new central facility at Energy Park will give AU the opportunity to have all their staff located in one central building, and allow them to meet and exceed the excellent customer service AU customers have come to expect. Cost savings from operational efficiencies will also be gained. This new building will be a community role model in energy efficiency.

Austin Utilities is a municipal utility serving approximately 12,300 electric customers, 10,300 natural gas customers, and 9000 water customers. Their mission is to offer utility products and services in a safe, reliable and responsible manner in order to enhance the quality of life in our community. For more information on Austin Utilities visit their website at [www.austinutilities.com](http://www.austinutilities.com).

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