



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 31

**Agenda Date:** December 5, 2024

**In Control:** City Council A Session

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**DEPARTMENT:** Aviation Department

**DEPARTMENT HEAD:** Jesus H. Saenz Jr.

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Joint Use Agreement with CPS Energy at the San Antonio International Airport

**SUMMARY:**

This ordinance authorizes the execution of a Joint Use Agreement (JUA) with CPS Energy to accommodate utility upgrades at San Antonio International Airport and approves the reimbursement to CPS Energy in an amount not to exceed \$2,500,000. Funding in the amount of \$835,000 is available from interim airport financing and included in the FY 2025 Capital Budget. This action also appropriates an additional \$1,665,000 to Utility Infrastructure Upgrades project.

**BACKGROUND INFORMATION:**

The City of San Antonio executes JUAs with entities to provide access to San Antonio International Airport property for the installation of various types of infrastructure and the continued maintenance thereof. With this JUA, the City is granting CPS Energy access to a defined portion of the premises owned by the City and controlled by the Aviation Department for the purpose of installation, construction, reconstruction, inspection, maintenance, repair and replacement of underground electrical lines, facilities, and directly related appurtenances.

**ISSUE:**

This agreement will support Airport complex upgrades over the next 5-10 years and ensure resilient secondary feeds from alternate power sources are included. As part of the JUA, CPS Energy shall provide services to procure the engineering firm and construction contractor, as well as all necessary equipment required to perform all necessary electrical work at CPS Energy's expense. The City shall reimburse CPS Energy for all actual costs incurred for the construction, installation, equipment, and engineering required to fully complete the scope of work up to the not to exceed amount of \$2,500,000. Any costs in excess of the aforementioned sum shall be the sole responsibility of CPS Energy.

**ALTERNATIVES:**

City Council could choose not to approve however, this could lead to construction delays, extending the timeline of the new terminal and enabling projects and potentially increasing the cost of the work.

**FISCAL IMPACT:**

The Utility Infrastructure Upgrades project is currently budgeted at \$1,500,000 with \$835,000 budgeted for CPS electrical upgrades and \$665,000 for water and wastewater improvements and utility survey and design. This council action appropriates an additional \$1,665,000 of Interim Airport Financing to support the CPS Joint Use Agreement in an amount up to \$2,500,000 for a total revised project cost of \$3,165,000.

**RECOMMENDATION:**

Staff recommends approval.