



MEMORANDUM

TO: Mayor and Council Members
Toby Hammett Futrell, City Manager

FROM: Juan Garza, General Manager
Austin Energy

DATE: April 19, 2007

SUBJECT: Critical Business Need for Emergency Town Lake Center Backup Generator

As detailed below, and in accordance with City Council-approved purchasing procedures, I am designating as a Critical Business Need of Austin Energy (AE), the purchase of a 400KW Diesel Powered Generator to provide backup power to the Town Lake Center (TLC) in the event of an unexpected outage.

The existing backup generator at TLC failed during routine testing in early December, and a mobile unit was brought in for the interim. This mobile generator has been costing the utility \$5,000 per month while studies were performed to determine the best options for providing backup power to the facility. The permanent 400KW generator will provide ample power for required systems and needs to be purchased in an expeditious manner in order to eliminate further rental costs, and ensure that critical functions remain operational in the event of a weather related or man-made outage. TLC houses the Information Technology Data Center and the Telecom System, which is a major part of the Data Center, is a critical function for Austin Energy. Furthermore, the backup generator will provide power to support 20 Call Center cubicles, and the Fuels Trading area, both of which are 24-hour critical functions of the utility.

I recommended that Austin Energy contract with Waukesha-Pearce Industries, Inc., in the amount of \$90,472 for a 400KW diesel-powered generator, including delivery, installation and the removal of the old equipment. Austin Energy will work with the Purchasing Department for execution of the contract, and will to bring this item forward for consideration by the City Council in the next several weeks. Please let me know if you have any questions. I can be reached at 322-6002.

Juan Garza
General Manager
Austin Energy