



MEMORANDUM

TO: Mayor and Council Members
Marc Ott, City Manager

FROM: Roger Duncan, General Manager

DATE: June 30, 2009

SUBJECT: Critical Business Need for Sand Hill Energy Center Unit 5 Boiler Feed Pump Motor

ACTION:

As detailed below and in accordance with City Council-approved purchasing procedures, I am designating a Critical Business Need for Austin Energy (AE) to repair the Sand Hill Energy Center - Unit 5 Boiler Feed Pump "B" Motor. The motor has a major failure which renders the Boiler Feed Pump inoperable. While the Boiler Feed Pump is out of service, Austin Energy is approximately without 55 Megawatts of efficient and low emissions gas fired generation. The repair is expected to take seven days and it is critical that we start the process as soon as possible.

BACKGROUND:

The Unit 5 Boiler Feed Pump "B" Motor tripped during a start on June 28, 2009. After trouble shooting it has been determined that the motor has a major fault which requires repairs in an industrial motor shop. The lowest bid which meets the required return date is \$104,194.60. The full scope of the repairs cannot be determined until the motor is inspected at the shop, but the bid includes pricing for "worst case" repairs. Due to the time of year it is critical that we authorize and begin this repair as soon as possible.

Austin Energy plans to bring this item forward for ratification by the City Council. If you have any questions, please contact me at 322-6157.