

AGENDA



Thursday, August 27, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 37**

Subject: Approve the ratification of a contract with HOUMA ARMATURE WORKS HOUSTON, Houston, TX for the repair of a boiler feed pump motor for Sand Hill Energy Center in an amount not to exceed \$60,562.

Amount and Source of Funding: Funding is available in the Fiscal Year 2008-2009 Operating Budget of Austin Energy.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Shawn Harris, Supervising Sr. Buyer, 505-7351

Purchasing Language: Critical Business Need.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

Boards and Commission Action: Recommended by the Electric Utility Commission.

On June 28, 2009, the Unit 5 boiler feed pump motor at Austin Energy's Sand Hill Energy Center tripped during a start. Power plant personnel determined that the motor had a major fault requiring repairs in an industrial motor shop. While the pump was out of service, Austin Energy was without approximately 55 MW's (megawatts) of efficient and low emissions gas-fired generation for 18 days. This lost generation capacity cost Austin Energy approximately \$750,000 in additional production costs.

In order to expedite repairing the failed motor, the procurement was expedited on the basis of a Critical Business Need. The boiler feed pump motor was removed and sent to Houston for inspection and repair. It has been reinstalled and is now fully operational.