SUBJECT: Authorize execution of a contract with POWER SUPPLY, INCORPORATED, Austin, TX, for the purchase of a main breaker for the Sand Hill Energy Center Simple Cycle Units in an amount not to exceed $55,877.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2004-2005 Approved Operating Budget of Austin Energy.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING DEPARTMENT: Purchasing
DIRECTOR'S AUTHORIZATION: Vickie Schubert

FOR MORE INFORMATION CONTACT: Martha L. Gaines, Buyer II/322-6583

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest responsive bid of two bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9 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.

This contract is for the purchase of a spare main generator breaker that can be utilized for all four Sand Hill simple cycle units. This breaker will be stocked in inventory to serve as a backup to the main breakers for all four of these units. In case of mechanical failures, the replacement breakers have a 6+-week lead-time. Failure of the main breaker on a unit would result in the unavailability of the unit for service and potentially could require the purchase of a replacement breaker at a much higher price because of the need to expedite the replacement/purchase.

MBE/WBE solicited: 0/0 MBE/WBE bid: 0/0
BID TABULATION
Main Breaker For The Sand Hill Energy Center Simple Cycle Units

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Total Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Supply</td>
<td>$55,877</td>
</tr>
<tr>
<td>Austin, TX</td>
<td></td>
</tr>
<tr>
<td>Brance-Krachy Company, Inc.</td>
<td>$54,000*</td>
</tr>
<tr>
<td>Houston, TX</td>
<td></td>
</tr>
</tbody>
</table>

*Bidder withdrew its bid.

PRICE ANALYSIS

a. Adequate competition.
b. Four notices were sent. Two bids were received. There are no MBEs/WBEs listed for this commodity.
c. The initial purchase of this breaker was in 2001 at the cost of $49,172. This purchase reflects a 10% increase in cost.

APPROVAL JUSTIFICATION

a. Low bid.
b. Austin Energy concurs with the recommended award.
c. Advertised on the Internet.