

COUNCIL ACTION FORM

SUBJECT: MOTOR REPAIR CONTRACT FOR POWER PLANT

BACKGROUND:

Electric Services' two coal-fired, high-pressure steam turbine electric generating units located at the Power Plant are referred to as Units No. 7 and 8. These units require regular professional maintenance and repair. This consists of regularly planned repairs and services during scheduled outages, as well as emergency service. The repair of these generating units requires professional trade crafts such as boilermakers, electricians/control technicians, steam/pipe fitters, and millwrights, to list a few. The units operate under environmental conditions with high heat and high pressure.

Due to these operational conditions, numerous motors are necessary to safely and reliably operate the Power Plant. All of this equipment must be professionally maintained, serviced, adjusted, repaired, and rebuilt. Rather than bid and get prices for this work multiple times per year with the inconsistency of work and quality as different vendors participate, it is recommended that this work be outsourced on an annual renewable contract basis.

Having a Motor Repair Contract reduces the City's exposure to market forces regarding prices and availability for labor, travel, and supplies in preparation for a scheduled outage. City staff will save considerable time obtaining quotes, evaluating proposals and preparing specifications and other procurement documentation. Funding in the amount of \$94,000 is available for this work in the approved FY2013/14 Electric Production operating budget.

ALTERNATIVES:

1. Approve preliminary plans and specifications for a motor repair contract for Power Plant, and set December 18, 2013, as the bid due date and January 14, 2014, as the date of public hearing and award of contract.
2. Purchase motor maintenance services on an as-needed basis.

MANAGER'S RECOMMENDED ACTION:

This contract is necessary to properly maintain motors and to carry out emergency and scheduled repairs resulting from equipment failures. This contract should achieve a consistent, high quality diagnosis, repair and/or overhaul of a motor, and to return it to good operating condition with a minimum of delay and cost. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.