ITEM # ___<u>30</u> DATE: 06-23-15

COUNCIL ACTION FORM

SUBJECT: PRECIPITATOR CONTROL REPLACEMENT CHANGE ORDER

BACKGROUND:

Electrostatic precipitators are used by the City's power plant to capture fly ash from the plant exhaust. Electric Services desires to procure the hardware and software necessary to provide maximum power input to the Unit #8 precipitator, to provide maximum rapping efficiency, and to monitor, record and operate the precipitators. The existing controls are obsolete, difficult to adjust and troubleshoot. Controls on the Unit #7 precipitator have already been replaced.

On May 12, 2015, Council awarded the Precipitator Control Replacement contract to Stock Equipment Company, Chagrin Falls, OH, in the amount of \$91,843.00 (inclusive of applicable lowa sales tax).

This proposed Change Order No. 1 in the amount of \$19,414.08 (inclusive of applicable lowa sales tax) is for the extra cost to supply 16 silicon controlled rectifiers (SCRs). These items were not in the original scope because the ones currently in service are working. However, staff learned with the new controls that the SCRs will modulate more frequently as the controls "adjust" to improve precipitator performance and efficiency. The old, original SCRs with the old controls no longer adjusted. Due to their age it is expected that the old SCRs will fail rather quickly with the new controls. In order to prevent "on line" failures, it would be preferable to replace the old units along with the controls. The total contract amount with this change order will be \$111,257.08.

Funding was approved in the FY2013/14 CIP which contained \$200,000 for Unit #8 Precipitator Controls. These dollars have been carried over into the FY 2014/15 budget year and are available to cover this change order.

ALTERNATIVES:

- 1. Approve contract Change Order No. 1 to Stock Equipment Company, in the amount of \$19,414.08 for the Precipitator Control Replacement.
- 2. Reject contract Change Order No. 1 and allow the old SCRs to fail one at a time over the next year.

MANAGER'S RECOMMENDED ACTION:

This change order is needed to prevent online SCR failures and resultant degradation in precipitator performance. The emissions action plan on file with the IDNR requires a plant shutdown if any four of the 16 precipitator fields is out of service.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.