

COUNCIL ACTION FORM

SUBJECT: **POWER PLANT DAMPER DRIVES**

BACKGROUND:

Damper drives are the devices that position the dampers either by manual control signal or automatic control. The dampers are connected directly to the main coal burners and control the amount of primary and secondary air to the boiler.

In FY 2010/2011, the Power Plant started ordering TYPE K drives to standardize the replacement of drives that were between 29-44 years old. Staff has determined that TYPE K drives meet all of the Plant's needs. A major factor is that the drives have a very reliable service record, with very few parts that can wear. As a result, the Plant can keep inventories of spare parts to a minimum. The Power Plant has used damper drives from other manufacturers in the past, but staff has determined that the best performance has been achieved with TYPE K.

Council should note that these damper drives are sold to the end user directly from the manufacturer (OEM). One major benefit of this is the City is receiving factory direct pricing without a distributor mark-up. **Since the manufacturer distributes these drives directly, it was not possible to get multiple bids from various suppliers, as we do on other types of electrical equipment.**

The Power Plant currently needs to purchase three additional drives. These drives need to be purchased in order to reestablish better control through the balance of draft on the boilers and for the combustion air for burning of RDF and natural gas.

Staff is requesting that the City Council waive the City's purchasing policies requiring competitive bids, and award this contract to Power Specialties, Inc., Raytown, MO in the amount of \$62,583.45 (inclusive of Iowa sales tax).

Funding is available from the approved FY2015/16 Electric Production operating budget which contains \$150,000 for Auxiliary Mechanical Equipment.

ALTERNATIVES:

1. Waive the purchasing policy requirement for competitive bidding for the damper drives and award a contract to Power Specialties, Inc., Raytown, MO, in the amount of \$62,583.45 (inclusive of Iowa sales tax).
2. Continue operating the Unit's and secure competitive bids for the damper drives with replacement at a future date.

MANAGER'S RECOMMENDED ACTION:

Purchase of these damper drives insures reliable performance for the Power Plant. By purchasing the damper drives directly from this manufacturer, staff can maintain uniformity in the damper drives throughout the Plant. It is expected that this will result in lower maintenance costs and greater service efficiencies.

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