

ITEM # 17
DATE January 8, 2008

COUNCIL ACTION FORM

**SUBJECT: APPROVAL OF PLANS AND SPECIFICATIONS AND NOTICE TO
BIDDERS FOR CITY OF AMES ELECTRIC SERVICES POWER PLANT
COAL HANDLING SPRINKLER SYSTEM PROJECT PHASE 1**

BACKGROUND:

This project is for the installation of a fire suppression system for the Power Plant. The City's insurance carrier, FM Global, has made several loss prevention recommendations for the Power Plant. This system would cover numerous areas within the Plant, and as part of the overall fire protection plan, this project would protect the coal handling mechanisms from the coal pile through the conveyor system and into the coalbunkers and pulverizers. A serious fire in any one of the systems could be catastrophic and could force the outage of either Unit #7 or Unit #8 or the entire Plant. Replacement power during an extended period of time could be extremely costly.

Included in the FY 2007/08 Capital Improvements Plan is \$400,000 from the Electric Utility Fund for Phase 1 of this project. The engineer's estimate for this phase is \$400,000. This is a multi-year project consisting of three phases. The plans and specifications for this Phase I portion are to generally install water lines and mechanical equipment prior to installation of actual sprinklers.

Upon City Council approval and receipt of favorable bids, the specifications call for the work to begin on or after April 15, 2008 and shall be completed by July 31, 2008.

ALTERNATIVES:

1. Approve the plans and specifications for the Electric Services Department Coal Handling Sprinkler System Project Phase 1. Set February 13, 2008, as the bid due date and February 26, 2008, as the date of hearing and award of contract.
2. Do not approve the specifications and drawings at this time.

MANAGER'S RECOMMENDED ACTION:

This work is necessary in order to decrease the danger of a catastrophic fire at the Power Plant. It is also a step that is recommended by the City's insurance carrier.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, approving the plans and specifications for the Electric Services Department Coal Handling Sprinkler System Project Phase 1. Set February 13, 2008, as the bid due date and February 26, 2008, as the date of hearing and award of contract.