

COUNCIL ACTION FORM

SUBJECT: POWER PLANT STEAM GENERATOR WATERWALL PANELS

BACKGROUND:

The approved FY 2009/2010 Capital Improvements Plan (CIP) includes \$4,500,000 for Unit No. 8 boiler tube repair. The project proposed will address tube wastage by replacing the bottom 50 feet of tubing in the boiler. This work will be one of the initial projects that will be undertaken to address increased maintenance needs at the Power Plant. This will also help to prepare the plant to remain in service through 2025, as indicated in the Burns and McDonnell power supply options study.

Due to the age of the tubes in the boiler, ruptures and tube failures have become increasingly common. There were nine separate occurrences of tube leaks that resulted in nine separate forced outages of the boiler in 2007/08. The condition of the boiler tubes has become a major reliability factor. Following this project, tubes that are still serviceable may be retained for use in case of emergency repairs in the future.

The Engineer's estimate of the cost of material included in this bid is \$1,621,000. This bid is for the purchase of the bottom 50 feet of tubing material only. Installation for these tubes will be bid separately.

Replacement of the super-heater tubes (located in a different area of the boiler) is also included in this CIP project. This project will be bid separately once the technical specifications have been developed.

ALTERNATIVES:

1. Approve the preliminary plans and specifications for the Steam Generator Waterwall Panels acquisition and set April 15, 2009, as the bid due date and April 28, 2009, as the date of hearing and award of contract.
2. Delay replacement of the bottom 50 feet of the Unit No. 8 boiler tubes.

MANAGER'S RECOMMENDED ACTION:

This project will address Unit No. 8 tube wastage by replacing the bottom 50 feet of tubing in the boiler. This project is necessary to improve reliability of Unit 8 and to prepare to continue operating the unit through 2025. This is the first in a number of projects which will increase maintenance work on the Plant and implement strategies required under the recommendations in the Burns and McDonnell power supply options study.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the preliminary plans and specifications for the Steam Generator Waterwall Panels acquisition, and establishing April 15, 2009, as the bid due date and April 28, 2009, as the date of public hearing.