COUNCIL ACTION FORM

SUBJECT: EMERGENCY REPAIRS TO GAS TURBINE #1 FUEL LINE

BACKGROUND:

During the weekend of September 18, 2010, it was reported to the City that there was oil leaking into the Skunk River. Staff immediately investigated and discovered that the leak was from the fuel line that runs from the pump house to the Gas Turbine #1 (GT-1). The GT-1 was installed in 1972 and is a power turbine/generator that is aerodynamically connected to a gas generator/jet engine. This unit is used for peaking and system black start for the City of Ames. This system is fueled by diesel instead of coal. The fuel leak from the pipe poses a significant environmental risk to the Skunk River and therefore should be repaired immediately.

Iowa Code Section 384.103 provides:

"When emergency repair of a public improvement is necessary and the delay of advertising and a public letting might cause serious loss or injury to the city, the governing body shall, by resolution, make a finding of the necessity to institute emergency proceedings under this section, and shall procure a certificate from a competent licensed professional engineer or registered architect, not in the regular employ of the city, certifying that the emergency repairs are necessary."

Electric Services contacted Fox Engineering, an independent engineer, to evaluate the situation. On September 24, 2010, Fox Engineering inspected the site and issued a certificate stating that emergency repairs are necessary and the delay of advertising and public hearing might cause serious loss or injury to the City.

Excavation and clean-up contractors have been providing emergency containment and soil cleanup services. The fuel line from the pump house to the GT-1 needs to be repaired or replaced. Fox Engineering is preparing specifications for the repair or replacement of the fuel line.

ALTERNATIVES:

- 1. Institute emergency proceedings and authorize staff to obtain informal quotes and enter into contracts for repair or replacement of GT-1 fuel line and containment and cleanup services as required.
- 2. Deny request to institute emergency proceedings and direct staff to solicit quotes in accordance with Iowa Code and City Purchasing policies for non-emergency procurements.

MANAGER'S RECOMMENDED ACTION:

There is damage to the GT-1 fuel line. Since fuel oil is leaking out of it and flowing to the Skunk River it is critical to get this fuel line repaired or replaced and complete containment and clean-up as soon as possible to minimize the environmental risks.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 to institute emergency proceedings and authorize staff to obtain informal quotes and enter into contracts for repair or replacement of GT-1 fuel line and containment and clean up services as required. 09/24/2010 16:32 5152

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ELECTRIC ADMIN&ENG

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Friday, September 24, 2010

Don Kom

Director Ames Electric Department 502 Carroll Avenue Ames, Iowa 50010

RE: Dayton Substation Fuel Line Leak FOX Ref. No. 8682.10A

Dear Mr. Kom:

FOX Engineering has reviewed the Dayton Avenue Substation site in regards to the leaking fuel oil line. FOX has determined that emergency repairs are necessary. The delay of advertising and public hearing might cause serious loss or injury to the City of Ames. FOX recommends these requirements be waived and design and repairs be expedited to avoid said loss or injury to the City of Ames.

Sincerely,

Scott Renaud, P.E. Iowa License No. 12109 My license expires December 31, 2010