

**COUNCIL ACTION FORM**

**SUBJECT: PARTS FOR DISTRIBUTED CONTROL SYSTEM (DCS)**

**BACKGROUND:**

The Distributed Control System (DCS) is hardware and software used for boiler controls and power plant systems. It is a crucial coordinating and communication system needed to operate the plant. The Power Plant needs to purchase multiple parts for the Power Plant DCS for maintenance and inventory replenishment. City staff contacted Emerson Process Management Power & Water Solutions who is the OEM to obtain a quotation for the parts needed.

**Staff is requesting that the City Council waive the City's purchasing policies requiring competitive bids, and award this contract to Emerson Process Management Power & Water Solutions, Inc., Pittsburgh, PA, in the amount of \$55,671, with applicable sales taxes to be paid directly by the City to the State of Iowa. It is important to purchase these parts from the OEM to maintain uniformity with all parts, maintain current warranties, and be assured all components will properly function with the rest of the system.**

Funding is available in the approved FY2018/19 Electric Production operating budget to cover the cost for these parts.

**ALTERNATIVES:**

1. Waive the purchasing policy requirement for competitive bidding for the parts for the DCS system and award a contract to Emerson Process Management Power & Water Solutions, Inc., Pittsburgh, PA, in the amount of \$55,671, with applicable sales taxes to be paid directly by the City to the State of Iowa.
2. Solicit bids and purchase the necessary pipe from another vendor.

**MANAGER'S RECOMMENDED ACTION:**

Purchase of these parts insures reliable performance for the Power Plant. By purchasing the parts directly from the DCS OEM, staff can maintain uniformity with all parts, maintain current warranties on the DCS, and be assured all components will properly function with the rest of the system. 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.