

COUNCIL ACTION FORM

SUBJECT: **POWER PLANT UNIT 7 TURBINE GENERATOR OVERHAUL**

BACKGROUND:

The Unit 7 Turbine Generator is scheduled to be disassembled, inspected, and repaired at the same time as the Unit 7 Boiler Repair Project. This work is required to replace worn parts and inspect the turbine and generator for repairs that may be needed to prevent unplanned turbine/generator outages, prevent costly turbine/generator damage, and increase turbine/generator reliability.

Repairs and replacement of worn parts will be completed as the inspection progresses. Experience has shown that certain parts require replacement every major overhaul and some parts become unusable during the disassembly process. This overhaul and parts replacement is required and recommended by boiler and machinery insurance carriers and follows accepted industry standards. **This bid is for labor and materials for the inspection and repairs Unit 7 Turbine Generator. There is a separate bid for spare parts that are made available to the contractor for this repair.**

The Engineer's estimate for the cost of the total project is \$2,440,000.

The approved FY 2018/19 Capital Improvements Plan includes the following funding for the Unit 7 Turbine Generator Overhaul.

2017/18 Engineering/Parts	\$750,000
2018/19 Labor	\$1,500,000
2018/19 GE Tech Support	<u>\$300,000</u>
TOTAL	\$2,550,000

ALTERNATIVES:

1. Approve the preliminary plans and specifications for the Unit 7 Turbine Generator Overhaul labor and set May 22, 2019, as the bid due date and May 28, 2019, as the date of hearing and award of contract.
2. Do not approve which would delay this critical repair.

MANAGER'S RECOMMENDED ACTION:

The Unit 7 Turbine-Generator is scheduled for a major overhaul during the outage for the Unit 7 Boiler Tube Repair Project, tentatively scheduled for summer of 2019.

Turbine-generator overhauls are typically performed in the industry about every five years to restore unit efficiency and to maintain good unit life and reliability. Without this overhaul, the Power Plant's performance would degrade considerably over time.

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