

COUNCIL ACTION FORM

SUBJECT: UNIT 8 ELECTROSTATIC PRECIPITATOR INSULATION & LAGGING

BACKGROUND:

The City's Power Plant includes two electrostatic precipitator (ESP) units that remove flue gas particulates downstream of the Unit 8 boiler. The insulation and lagging on the precipitator units is in poor condition after years of operation. The lagging is corroded and falling off in some sections and is now in need of full replacement.

The current exterior flue gas ductwork is corroded and will need to be replaced as well. This includes the ductwork running between the Unit 8 boiler and the electrostatic precipitator units, along with the ductwork running between the precipitator units and the regenerative air heater. In addition, the inlet and outlet ductwork of the Unit 8 ESP has also deteriorated and requires complete replacement.

City staff retained Black and Veatch to prepare plans and specifications which are now complete. The Engineer's estimate for construction is \$2,860,000. The Capital Improvements Plan includes a project for Power Plant Unit 8 Precipitator Insulation and Lagging. The FY 2022/23 budget includes \$2,000,000 for engineering and construction.

If bids received exceed the budgeted amount, the bid specifications are worded such that the scope of the work could be reduced to priority areas without having to rebid the project. Staff will determine whether to limit the work to priority areas or request that funds be transferred from other projects. The final decision regarding the amount of work to award in the bid and/or whether to supplement the available funding will be brought back to City Council for approval at the time of contract award.

ALTERNATIVES:

1. Approve preliminary plans and specifications for the Unit 8 Electrostatic Precipitator Insulation and Lagging project, set January 25, 2023, as the due date for bids, and establish February 14, 2023, as the date of public hearing and award of contract.
2. Delay the Unit 8 Electrostatic Precipitator Insulation and Lagging project.

CITY MANAGER'S RECOMMENDED ACTION:

The replacement of the insulation and lagging is a planned project in the current CIP. It is important to replace the damaged pieces and provide adequate insulation and protection on the precipitator unit. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No.1, as described above.