

COUNCIL ACTION FORM

SUBJECT: COMBUSTION TURBINE FUEL OIL PIPE INSTALLATION

BACKGROUND:

The City's Electric Utility operates two combustion turbines (CT1 & CT2). These units, located at the Dayton Avenue Substation, burn fuel oil to rotate a generator and produce electricity. In 2010, the underground fuel line from the fuel oil pump house to CT1 failed, causing fuel oil to leak underground and eventually to the Skunk River. The underground fuel oil line from the fuel oil storage tank to the pump house is similar age to the line that leaked in 2010 and is the last remaining underground piping that is original to the unit. **This bid is for the installation of double-walled carbon steel piping to replace the remaining, original, underground fuel oil piping.**

Zachry Engineering Corporation of Omaha, NE has developed plans and specifications for the work. The approved FY 2020/21 Fuel Oil Piping Installation Capital Improvements Plan project includes \$150,000 for this work.

ALTERNATIVES:

1. Approve preliminary plans and specifications for Combustion Turbine Fuel Oil Pipe Installation and establish January 25, 2023, as the bid due date and February 14, 2023, as the date of public hearing and award of contract.
2. Delay replacement of fuel oil pipe at combustion turbine site and continue operating with the original piping.

CITY MANAGER'S RECOMMENDED ACTION:

This project is needed because all original lines installed in 1972 are subject to failure due to their age. This is the last section of underground pipe that needs to be replaced for the GT site. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.