

COUNCIL ACTION FORM

SUBJECT: **PURCHASE REPLACEMENT 72**
INSTRUMENT AIR COMPRESSOR

BACKGROUND:

The Electric Utility has two gas-fired, high-pressure steam generation units within the City's Power Plant, referred to as Units No. 7 and 8. These units are primarily controlled using pneumatic control systems. The plant pneumatics system is supported by three Instrument Air Compressors (#70, #71, #72). One compressor is always operating, a second compressor is cycling on and off serving as a back up to deliver during peak demands, and the third compressor serves as a redundant back up and operates while maintenance is being performed on either of the other two.

Instrument Air compressor #72 has reached the end of its useful life and needs to be replaced. Staff has solicited quotes from vendors representing three different air compressor manufacturers.

VENDOR	QUOTE	TAX	TOTAL	LEAD TIME
Atlas Copco Compressors LLC, Rock Hill, South Carolina	\$79,781.00	\$5,584.67	\$85,365.67	8 weeks
Ingersoll Rand, Davidson, North Carolina	\$80,333.00	\$5,623.31	\$85,956.31	10 weeks
Air Compressor & Machine Co. of Iowa, Des Moines, Iowa. Authorized distributor of Sullair	\$83,250.00	\$5,827.50	\$89,077.50	23-25 weeks

The FY 2022/23 Electric Production budget includes \$100,000 for the replacement of #72 Instrument Air Compressor.

ALTERNATIVES:

1. Award a contract for the Air Compressor to Atlas Copco Compressors LLC, Rock Hill, SC in the amount of \$85,365.67 (inclusive of Iowa Sales Tax).
2. Award to one of the other vendors.
3. Reject quotes, and direct staff to rebid the air compressor project.

CITY MANAGER'S RECOMMENDED ACTION:

This Instrument Air Compressor is a critical part within the process at the Power Plant. If this compressor is not purchased, the plant control system will have no redundancy, risking the possibility of forced outages if either of the other two compressors have issues. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as stated above.