

ITEM #: 21
DATE: 09-24-24
DEPT: ELEC

COUNCIL ACTION FORM

SUBJECT: CONTROL VALVE REPAIR AT THE POWER PLANT

BACKGROUND:

The Power Plant has a variety of complex systems that utilize control valves. Over time, Plant staff has standardized the equipment to utilize Fisher control valves (Novaspect/Emerson). Novaspect/Emerson is the approved distributor and service provider for Fisher Control Valves.

There are seven critical control valves in the Power Plant that need to be rebuilt. These valves operate under extreme pressures and temperatures and control high energy systems very precisely. They have been in operation for many years. The valves are a crucial part of operating Unit 8 and Unit 7 safely and efficiently.

The Power Plant must use the same valve manufacturer for the valves throughout the plant to achieve consistency in operation, maintenance, and spare parts. Therefore, it is being requested that the City's purchasing policy requirement for formal bidding be waived and a contract to rebuild the valves from Novaspect Inc. be awarded. Funding for this work is available from the Unit 8 Auxiliary Equipment valve repair account.

Because staff is requesting a waiver of the bidding process, additional steps have been taken to assess the quoted price for reasonableness. First, in reviewing the bid, approximately \$15,000 of the total \$111,771 was labor. Based on the expected labor hours needed to rebuild these valves, \$15,000 is reasonable. Further, many of the parts are sold as rebuild "kits" or assemblies. These bundles are less expensive than buying the parts individually. When comparing overall pricing to previous, similar control valve repairs, staff found these quoted costs to be in-line with previous work performed.

ALTERNATIVES:

1. Waive the City's purchasing policy requirement for formal bidding procedures for Valve Replacement and Repair at the Power Plant and award a contract to Novaspect Inc., Carol Stream, IL, in the amount of \$111,771. (inclusive of sales tax).
2. Do not approve and direct staff to solicit bids for these repairs.

CITY MANAGER'S RECOMMENDED ACTION:

It is important the Power Plant maintain these critical valves and use the same valve manufacturer for rebuilding the valves throughout the Power Plant to achieve consistency in operation, maintenance, and spare parts. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.