



## **UTILITIES COMMITTEE MEETING**

**Wednesday, July 1, 2009**

**City Council Chambers**

**5:15 p.m.**

Alderman Gail Simpson	Chairman
Alderman Steven Dove	Vice-Chairman
Alderman Sam Cahnman	Member
Alderman Frank Kunz	Member
Alderman Frank Edwards	Member

### **AGENDA**

- 1. Approval of Wednesday, June 10, 2009 Utilities Committee Minutes**
- 2. Ordinances Tabled or Remaining In Committee**

**2008-337** A Resolution To Abandon The Construction Of Hunter Lake (**Requested By Ald. Edwards**) (**Utilities**) (**Remains In Committee 12/10/08**)

- 3. Ordinances for Committee Consideration**

**2009-328** An Ordinance Amending Ordinance No. 304-05-09 "An Ordinance Authorizing Payment To Solutia Inc. In An Amount Not To Exceed \$621,100.00 For The Purchase Of Adipic Acid And Dibasic Acid For The Dallman Power Plant Scrubbers For A One-Year Term For The Office Of Public Utilities" By Approving A Vendor Name Change To Ascend Performance Materials LLC (**Requested By Alderman Simpson**) (**Utilities**)

Description: Ordinance 304-05-09 authorized payment to Solutia Inc. for the purchase and delivery of Dibasic Acid and Adipic Acid in an amount not to exceed \$621,100.00 for the City of Springfield Office of Public Utilities' Dallman Power Plant Unit No. 31/32, Unit 33 and Unit 4 Scrubbers. The Scrubbers use limestone and water to neutralize sulfur dioxide in the flue gas emissions and these products enhance the use of limestone in this capacity. Adipic Acid and Dibasic Acid are two of the chemicals used by the utility for this purpose.

This amending ordinance is necessary due to Solutia selling its integrated nylon business, the entity supplying the above-referenced chemicals to the City, to Ascend Performance Materials LLC, effective June 1, 2009. As some payments were already made to Solutia Inc., this amending ordinance simply sanctions the new vendor name, Ascend Performance Materials LLC, so that payments henceforth can be made to Ascend Performance Materials. All other terms and conditions under the original Ordinance and procurement, including the previously authorized expenditure authorization, will remain the same.

Criteria for Award: Sole Source (Original Award)

**2009-329** An Ordinance Authorizing Additional Funding In The Amount Of \$950,000.00 For Various Types Of Electric Metering Equipment For The Electric Division Transmission, Distribution And Operations Department Under Contract UE08-04-17 With Elster Electricity, LLC, Fletcher-Reinhardt Company, HD Supply Utilities, Ltd And Brownstown Electric Supply Co Inc For A Total Amount Payable Of \$2,110,437.00 To Said Vendors (**Requested By Alderman Simpson**) (**Utilities**)

Description: This ordinance authorizes an additional expenditure authorization under Bid Contract UE08-04-17 with Elster Electricity, LLC, Fletcher-Reinhardt Company, HD Supply Utilities, Ltd and Brownstown Electric Supply Co Inc in an amount not to exceed \$950,000.00 for various types of electric metering equipment for the Electric Division Transmission, Distribution and Operations Department for the Office of Public Utilities.

The original contract provided for standard meters, power quality meters, soft switches, Automatic Meter Reading (AMR) ready meters, remote wireless disconnects and various other electric metering equipment. Ordinance No. 438-07-07 authorized the utility to spend up to \$1,160,437.00 for this equipment over the five-year contract term, which ends June 30, 2012. This funding increase is necessary because the Office of Public Utilities will be installing an additional 7,500 AMR meters per year.

The original ordinance and this funding increase authorize the expenditure of \$2,110,437.00 in total under this contract. Per the City Purchasing Agent, a Change Order is not required because this action does not alter any terms or conditions previously agreed to by the vendor. Only funding authorization through the ordinance is necessary.

Criteria for Award: Low Evaluated Bid (Original Award)

**2009-330** An Ordinance Authorizing The Execution Of A Letter Offer For Extension, Approving A One-Year Contract Extension And Authorizing Additional Funding In The Amount Of \$40,000.00 Under Contract No. UE09-04-12 With Quicksilver Mailing Services, L.L.C. For Mail Processing Services For The City Of Springfield's Outgoing Mail For A Total Amount Payable Of \$80,000.00 Under Said Contract (**Requested By Alderman Simpson**) (**Utilities**)

Description: This ordinance authorizes a one-year contract extension and additional funding not to exceed \$40,000.00 for mail processing services for the City of Springfield's outgoing mail with Quicksilver Mailing Services, L.L.C. for the Office of Public Utilities. Ordinance No. 367-06-08 awarded Contract No. UE09-04-12 to Quicksilver Mailing Services, L.L.C. for a one-year term in the total amount of \$40,000.00 for daily pickup of all outgoing City mail and packages, application of bar codes, qualification of zip coded mail and delivery to the correct postal carrier at unit prices.

In accordance with contract specifications, the City wishes to extend the contract with Quicksilver Mailing Services, L.L.C. for one year based on the 2008 bid contract prices. This ordinance will extend the contract term through May 1, 2010, for a total amount of \$80,000.00 payable to said vendor. Per the City Purchasing Agent, a Change Order is not necessary

because this action does not alter any of the terms and conditions as previously agreed to by the vendor. Only authorization to extend the contract and expend additional funds through this ordinance is necessary.

Criteria for Award: Only Bid (Original Award)

**2009-331** An Ordinance Accepting The Bid And Authorizing The Execution Of Contract UE10-04-18 – Websense Internet Content Filtering Maintenance Renewal With ANI Direct LLC In The Amount Of \$19,993.60 For The Administrative Services Division Information Systems Department (**Requested By Alderman Simpson**) (**Utilities**)

Description: This ordinance accepts Contract UE10-04-18 with ANI Direct LLC in the amount of \$19,993.60 for renewal of one-year maintenance subscriptions for Websense Enterprise Service content filtering and spyware blocking software for 1,100 existing City computer workstations with Internet access from the corporate network for the City of Springfield Office of Public Utilities Administrative Services Division Information Systems Department (ISD).

Websense Enterprise content filtering software receives frequent database updates, which categorize all Internet websites into websites that can be allowed or blocked. Security Filtering Group (spyware blocking) software blocks users from accessing websites that contain viruses and spyware. The subscription for Websense Enterprise costs \$12,826.00 and the subscription for the Security Filtering Group costs \$7,167.60.

Criteria for Award: Only Bid

**2009-332** An Ordinance Accepting Bids And Authorizing The Execution Of Contract UE10-05-24 – Coal Ash Hauling For Dallman Power Plant Unit No. 4 For The Electric Generation Department With Curry Ice & Coal, Inc. In The Amount Of \$52,150.00 (**Requested By Alderman Simpson**) (**Utilities**)

Description: This ordinance accepts Contract UE10-05-24 in the amount of \$52,150.00 with Curry Ice & Coal, Inc. for the hauling of Dallman Power Plant Unit No. 4 coal combustion byproducts from the Power Plant to the ICG Viper coal mine in Elkhart, Illinois, for the City of Springfield Office of Public Utilities' Electric Generation Department. The byproducts to be hauled include bottom ash, fly ash, and synthetic gypsum. This contract will be effective through December 31, 2009. Curry Ice & Coal, Inc. submitted the low bid in the amount of \$1.49 per ton for this service. Since Curry hauls the coal from the Viper Mine to the Power Plant, they are able to provide a lower backhaul rate for this work. The next lowest bid is \$4.25 per ton.

Criteria for Award: Low Bid

**2009-333** An Ordinance Accepting And Authorizing The Execution Of A Quotation With Clyde Bergemann Delta Ducon, Inc. In The Amount Of \$20,790.00 For The Purchase Of Various Spare Parts For The Powder Activated Carbon System For The Dallman Power Plant Unit No. 4 Scrubber For The Electric Generation Department (**Requested By Alderman Simpson**) (**Utilities**)

Description: This Ordinance accepts and authorizes the execution of a Quotation with Clyde

Bergemann Delta Ducon, Inc. in the total amount of \$20,790.00 for the City of Springfield Office of Public Utilities' Electric Generation Department for the purchase and delivery of various spare parts for the Dallman Power Plant Unit No. 4. These spare parts are for the Powder Activated Carbon (PAC) system for the Dallman Power Plant Unit 4 Scrubber. There is a four- to eight-week lead time for delivery of the parts After Receipt of Order. This ordinance is one of several ordinances required for the purchase of spare parts for Dallman Unit No. 4. This procurement will be funded by 2008 Electric Revenue Bonds.

Criteria for Award: Sole Source

**2009-334** An Ordinance Approving The Purchase And Installation Of Security Proximity Readers And Related Equipment For Dallman Power Plant Unit No. 4 In The Total Amount Of \$28,171.45 From A-1 Lock, Inc. Under State Of Illinois Contract Nos. 4014706 And 4014707 **(Requested By Alderman Simpson) (Utilities)**

Description: This ordinance authorizes the purchase and installation of security proximity readers and related equipment for the City of Springfield Office of Public Utilities' Dallman Power Plant Unit No. 4. This equipment is needed due to the heightened awareness of security stipulated by the North American Electric Reliability Corporation (NERC) and other agencies regulating electric generation facilities. This security equipment will log the entry and exit to sensitive areas of the facility. The security proximity readers and related equipment will be purchased from and installed by A-1 Lock, Inc. under State of Illinois Contract Nos. 4014706 and 4014707 in the total amount of \$28,171.45.

Criteria for Award: State Contract

**2009-335** An Ordinance Accepting And Authorizing The Execution Of A Quotation With Flowserve Us Inc. In The Amount Of \$57,863.00 For The Purchase Of One New Rotating Element To Include Bearing Housings For One Of The Sluice Plumps At The Dallman Power Plant For The Electric Division **(Requested By Alderman Simpson) (Utilities)**

Description: This ordinance approves and authorizes execution of a Quotation with Flowserve US Inc. in the amount of \$57,863.00 for the purchase of one new rotating element to include bearing housings for one of the sluice pumps at the Dallman Power Plant. There are three sluice pumps at the plant, two of which are continuously in service. These pumps transport bottom ash and fly ash to the ash pond. These pumps are in need of overhaul as two were built in 1974 and one in 1980. This new equipment comes with a warranty of one year from initial startup, or 18 months after shipment, whichever occurs first.

Criteria for Award: Sole Source

**2009-336** An Ordinance Accepting And Authorizing The Execution Of Three Separate Quotations With Siemens Energy, Inc. In The Total Amount Of \$151,823.33 For The Electric Division Generation Department **(Requested By Alderman Simpson) (Utilities)**

Description: This Ordinance accepts and authorizes the execution of three separate Quotations with Siemens Energy, Inc. in the total amount of \$151,823.33 for the City of Springfield Office of Public Utilities' Electric Generation Department. Pursuant to this Ordinance, Siemens will provide technical support for the disassembly, cleaning, inspection and reassembly of the

Dallman Unit 32 throttle valves during the 2009 Fall routine maintenance outage for this unit. In addition, this Ordinance provides for the purchase of critical spare parts associated with the Dallman Power Plant Units 31 and 32 throttle valves. These parts will be placed in inventory for use, as needed. Ordering these parts now will ensure the availability of this equipment when required. Lead time for the order of some of these parts will be eight to 10 weeks.

Criteria for Award: Professional Services/Sole Source

**2009-350** An Ordinance Approving A Three-Year Property And Extended Coverage Insurance Policy For 40 City Of Springfield Properties Through R.W. Troxell & Company And Approving Payment Of The First Year's Premium In The Amount Of \$1,655,065.00 For The Office Of Public Utilities (**Requested By Alderman Simpson**) (**Utilities**)

This Ordinance approves a three-year property and extended coverage insurance policy for 40 City of Springfield Office of Public Utilities properties through R.W. Troxell & Company. The policy premium is paid annually and this ordinance approves payment of the first year's premium in the total amount of \$1,655,065.00. This policy also provides for on-site oil testing, infra-red testing, engineering loss control, computer assisted loss control and site inspections for all equipment. Coverage for terrorism is not included in this policy.

The total insured property value for the utility property under this policy is \$1,446,764,558.00 including the Dallman Power Plant Unit 4. Initially the limit of liability for any one occurrence will be \$300,000,000.00. Effective September 1, 2009, the policy limitation of liability for any one occurrence will increase to \$325,000,000.00. The policy base deductible is \$100,000.00. Utility facilities covered under this policy include the Dallman Power Plant Units 31, 32, 33, and Dallman Unit 4, the Lakeside water pumping infrastructure, the Interstate Power Plant, the Water Purification Plant, all substations and large transformers, all water storage towers and the Spaulding Dam and Saddle Dam.

Insurance will actually be provided by AIG Global Energy Property, which insures a number of power plants across the country. The utility's premium will be paid in two separate installments this year: \$1,156,398.00 on July 14, 2009, and \$498,667.00 on September 1, 2009, for the addition of Dallman Unit 4.

Criteria for Award: Sole Source

4. **Unfinished Business**
5. **New Business**
6. **Requests To Address Utilities Committee**
7. **Adjournment**

*Cecilia K. Tumulty*  
Cecilia K. Tumulty, C.M.C.  
City Clerk