



UTILITIES COMMITTEE MEETING

Wednesday, March 18, 2009

City Council Chambers

5:15 p.m.

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

AGENDA

- 1. Approval of Wednesday, February 25, 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**

2009-096 An Ordinance Authorizing The Execution Of Letter Offers For Extension, Approving A One Year Contract Extension And Authorizing Additional Funding In The Amount Of \$565,650.00 With Brian J. Shirley D/B/A JAYCO Construction, Petersburg Plumbing And Heating Co. And J.K. Snyder Co., Inc. Under Contract No. UW08-02-98 For Water Main Installation And Dry Boring Work For The Water Division For A Total Amount Payable Of \$1,131,100.00 Under Said Contract (**Requested by Alderman Cahnman**) (**Utilities**)

Description: This ordinance authorizes a one year contract extension and approves an additional expenditure in the amount of \$565,650.00 under Bid Contract UW08-02-98 for Water Main Installation and Dry Boring Work for the Water Division with Brian J. Shirley d/b/a JAYCO Construction, Petersburg Plumbing and Heating Co. and J.K. Snyder Co., Inc. for the City of Springfield Office of Public Utilities.

Ordinance No. 315-05-08 awarded Contract UW08-02-98 in the total amount of \$565,650.00 to Brian J. Shirley d/b/a JAYCO Construction, Petersburg Plumbing and Heating Co. and J.K. Snyder Co., Inc. for a one-year term. Petersburg Plumbing and Heating Co. is the primary contractor for Section A of the contract, Dry Boring Work, and Brian J. Shirley d/b/a JAYCO Construction is the primary contractor for Section B of the contract, Water Main Installation as each vendor was the lowest bidder of that section. In accordance with the bid contract prices,

J.K. Snyder Co., Inc. serves as the secondary contractor for Section A, Dry Boring Work, while Petersburg Plumbing and Heating Co. serves as the secondary contractor for Section B, Water Main Installation.

Pursuant to the contract specifications, the City wishes to extend this contract with said vendors for an additional one year based on the 2008 bid contract prices. No minimum amount of work is guaranteed and there is no specific dollar amount allocated to any 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: Low Bid (**Original Award**)

2009-097 An Ordinance Authorizing Additional Funding In The Amount Of \$60,000.00 For Rental Of A Portable Demineralizer For The Electric Division Generation Department Under Contract UE07-04-03 With GE Mobile Water, Inc. For A Total Amount Payable Of \$220,000.00 To Said Vendor (**Requested by Alderman Cahnman**) (**Utilities**)

Description: This ordinance authorizes an additional expenditure authorization under Bid Contract UE07-04-03 with GE Mobile Water, Inc. in an amount not to exceed \$60,000.00 for rental of a portable demineralizer on an as needed basis for the City of Springfield Office of Public Utilities' Electric Division Generation Department. This funding increase is necessary because of additional portable demineralizers being required for Dallman Unit 4 testing.

In general, this equipment is used to produce high purity water from municipal water in emergency situations when the Dallman Generating Station demineralizer systems cannot meet demand. A portable demineralizer also is required to provide adequate quantities of demineralized water to keep the Interstate Combustion Turbine on-line and producing electricity.

Original Ordinance No. 417-07-06 to include a prior funding increase approved by Ordinance No. 683-10-08 authorized the utility to spend up to \$160,000.00 for these services over the three-year contract term, which ends April 30, 2009. The prior \$40,000.00 funding increase was due to unusually high demand caused by the unavailability of the plant's demineralizer after the Dallman Unit 31 explosion and additional usage of the Interstate turbine attributable to the same, as well as increased fuel adjustment costs associated with this delivery and pick up of the portable demineralizer equipment.

The original ordinance, previous funding increase, and this funding increase authorize the expenditure of \$220,000.00 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**)

2009-098 An Ordinance Accepting Bids And Authorizing The Execution Of Contract UW09-12-99 – Residential Water Service Materials With Schulte Supply, Inc. In The Amount

Of \$99,907.20, Hd Supply Waterworks Group, Inc. In The Amount Of \$221,643.15, Illinois Meter, Inc. In The Amount Of \$32,719.00 And Midwest Meter, Inc. In The Amount Of \$46,304.40 For The Water Division (**Requested by Alderman Cahnman**) (**Utilities**)

Description: This ordinance accepts Bid Contract UW09-12-99 with Schulte Supply, Inc., HD Supply Waterworks Group, Inc., Illinois Meter, Inc. and Midwest Meter, Inc. for the purchase of an annual supply of Residential Water Service materials in the total amount of \$400,573.75 for the City of Springfield Office of Public Utilities' Water Division Field Services Center. These materials are required for maintenance and new installation of residential water services.

Schulte Supply, Inc. is being awarded Section A, Coppersettlers, in the amount of \$99,907.20. Sections B, D, G, H, I, and J, Meter Box Covers and Replacement Lids and Curb Box Repair Lids, Miscellaneous Residential Materials, Corporation Stops, Curb Stops and Compression Couplings, Miscellaneous Brass Fittings, Double Strap Brass Service Saddles, and Plastic Service Line Accessories are being awarded to HD Supply Waterworks Group, Inc. in the amount of \$221,643.15. Section C, Meter Boxes, is being awarded to Illinois Meter, Inc. in the amount of \$32,719.00. Sections E and F, Meter Setting Accessories and Full Circle Repair Clamps, are being awarded to Midwest Meter, Inc. in the amount of \$46,304.40.

All sections, with the exceptions of C and G, are awarded to the lowest bidder. Section C is being awarded to the low evaluated bidder due to the City's two percent local vendor preference, and Section G is awarded to the low bidder meeting specifications. The ordinance total reflects estimated quantities; the vendors are not guaranteed a minimum amount. Only the water service materials needed during the contract period will be ordered.

The contract becomes effective March 1, 2009, or the date of award, whichever is later, and remains in effect for an initial one year period, with the potential to extend the contract thereafter with City Council approval.

Criteria for Award: Low Bids

2009-099 An Ordinance Accepting Bids And Authorizing The Execution Of Contract UW09-01-100 – Ductile Iron Pipe For The Water Division Field Services Center With American Cast Iron Pipe Company In The Amount Of \$1,459,871.00 (**Requested by Alderman Cahnman**) (**Utilities**)

Description: This ordinance accepts Contract UW09-01-100 with American Cast Iron Pipe Company in the amount of \$1,459,871.00 for the purchase of ductile iron pipe and accessories for the City of Springfield Office of Public Utilities Water Division Field Services Center. These materials are required for water distribution system water main additions and repairs. The contract provides for the purchase of over 82,000 linear feet of pipe ranging from four to 18-inches in diameter and accessories, including 80 restraining gaskets.

This Ordinance covers anticipated annual needs for Fiscal Year 2010. The ordinance total represents estimated quantities; the vendor is not guaranteed a minimum order. Only the materials needed during the one-year contract period will be ordered.

This contract with American Cast Iron Pipe Company will be in effect on March 15, 2009, or

the date of award, and will remain in effect for one year, with the potential to extend the contract thereafter with City Council approval.

Criteria for Award: Low Bid

2009-100 An Ordinance Accepting The Bid And Authorizing The Execution Of Contract UW09-01-103 – Ferrous Sulfate For The Water Division Water Purification Plant With Crown Technology Inc. In The Amount Of \$95,920.00 (**Requested by Alderman Cahnman**) (**Utilities**)

Description: This ordinance accepts Bid Contract UW09-01-103 with Crown Technology Inc. in the amount of \$95,920.00 for the purchase of ferrous sulfate, which is used as a coagulant in the water treatment process at the City of Springfield Office of Public Utilities' Water Division Water Purification Plant. The material will be shipped by truck in 50-pound bags. Approximately 440 tons of ferrous sulfate, the unit price for which is \$218.00 per ton, will be used during the contract term.

The contract will be in effect for one year from the date of signature by both parties, with the potential to extend the contract for additional one-year terms with City Council approval.

Criteria for Award: Only Bid

2009-101 An Ordinance Approving And Authorizing The Execution Of A Professional Services Proposal With Explosive Professionals Midwest, Inc. In The Amount Of \$30,000.00 For Explosive Blasting Services For The Dallman Power Plant Unit No. 32 And 33 Boilers For The Electric Division Generation Department (**Requested by Alderman Cahnman**) (**Utilities**)

Description: This ordinance authorizes the execution of a Professional Services proposal with Explosive Professionals Midwest, Inc. for explosive blasting services for the Dallman Power Plant Office of Public Utilities Electric Generation Department in the total amount of \$30,000.00. The vendor will provide explosive blasting and specialized cleaning of Dallman Power Plant Unit No. 32 and Unit No. 33 boilers, to include supervision, labor and materials. Annual cleaning of Unit No. 32 and 33 boilers and equipment is necessary in order to prevent blockage, and maintain unit efficiency and reliability.

Services include mobilization, set up, dismantling, clean up and demobilization for a fixed price of \$17,500.00 for the Dallman Power Plant Unit No. 33 boiler and \$12,500.00 for the Unit No. 32 boiler. This contract award is based upon the vendor's experience with the Dallman Power Plant equipment, the vendor's deslagging method and their Occupational Safety and Health Administration Safety Records.

The project for the Unit No. 33 boiler is scheduled to begin March 28, 2009, during the first week of the Spring 2009 scheduled maintenance outage. The project for the Unit No. 32 boiler is scheduled to begin October 10, 2009, during the first week of the Fall 2009 scheduled maintenance outage.

Criteria for Award: Professional Services

2009-102 An Ordinance Accepting And Authorizing The Execution Of A Quotation With Aquatech International Corporation In The Amount Of \$136,184.10 For The Purchase Of Various Spare Parts For The Dallman Power Plant Unit No. 4 **(Requested by Alderman Cahnman) (Utilities)**

Description: This Ordinance accepts and authorizes the execution of a quotation with Aquatech International Corporation in the amount of \$136,184.10 for the City of Springfield Office of Public Utilities Electric Generation Department for the purchase of spare parts for the Dallman Power Plant Unit No. 4.

It is necessary for the utility to establish an inventory of spare parts in order to support the upcoming startup and ongoing operation of the Dallman Power Plant Unit No. 4. In addition, original equipment manufacturer parts are required for the first year of operation in order to comply with the various manufacturers' warranty requirements. This ordinance authorizes the purchase of parts for the cycle make-up treatment system. This system, which is located in the Dewatering Building, supplies high quality demineralized makeup water to the steam cycle and closed cycle cooling water systems.

The spare parts are warranted for 90 days from the date of shipment. There is a four 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

2009-103 An Ordinance Amending Chapter 50 Of The 1988 City Of Springfield Code Of Ordinances, As Amended, By Adding A New Section 50.36 Pertaining To The Sale Of "Green Energy" Products **(Requested by Alderman Cahnman) (Utilities)**

Description: This ordinance amends Chapter 50, Electric Utility, of the Springfield City Code of Ordinances, by creating a new Section 50.36, Green Energy Purchase Option. This Code Amendment delegates to the General Manager of the Office of Public Utilities the authority to establish policies, procedures and prices for the voluntary sale of Renewable Energy Credits (RECs) or similar "Green Energy" products to interested utility residential and commercial customers.

This program aims to promote renewable energy and reduce greenhouse gases. This authority would in no way extend to the actual sale of energy. The program would be managed and operated through the Office of Public Utilities' Administrative Service Division Energy Services Department using existing staff to market, coordinate residential and commercial sales, obtain RECs from the wholesaler, and otherwise administer the program.

2009-120 An Ordinance Amending Ordinance No. 500-08-08, An Ordinance Approving Payment To APCoPower Inc. In An Amount Not To Exceed \$2,250,000.00 For Routine Maintenance And Repairs To The Dallman Unit 31 Boiler For The Electric Generation Division, By Increasing The Payment Authorization By \$2,150,000.00 And Approving A Supplemental Appropriation In The Amount Of \$1,300,000.00, For A Total Expenditure Not To Exceed \$4,400,000.00 With Said Vendor **(Requested by Alderman Cahnman) (Utilities)**

Description: This Ordinance amends Ordinance No. 500-08-08 by authorizing an additional expenditure of \$2,150,000.00 with APComPower Inc. for routine maintenance and repairs to the Dallman Unit 31 boiler for the City of Springfield Office of Public Utilities Electric Generation Department.

The majority of this amending ordinance funding increase, \$1,230,000.00, provides for additional work scopes pursuant to this project, to include but not limited to the following: 1) installation and replacement of 50 sections of tube in the primary superheat and secondary superheat, \$400,000.00; 2) installation of additional flex ties, tube alignment clips and lugs, \$150,000.00; 3) installation of additional flat studs and bowtie studs in the cyclone high wear area, \$150,000.00; 4) replacement of three primary superheat drain bellows at the penthouse, \$150,000.00; 5) additional work at the reentrant throats to install filler plates to seal up all void areas, \$100,000.00; 6) installation of the new emergency relief valve and new stack and a silencer on the emergency relief valve stack for steam blow, \$100,000.00; and, 7) the re-working of neck tubes for fitting, \$55,000.00.

The remainder of this funding increase, \$920,000.00, covers additional labor hours to complete the initially authorized maintenance and repair work. APComPower Inc. invoices the utility for labor hours worked, supervision hours, materials, tools, etc., at rates in accordance with the APComPower Inc. existing Proposal UE08-07. Actual repairs are provided on a time and materials basis per the direction, to include scheduling, by the Electric Generation Division.

The original Ordinance No. 500-08-08 authorized payment to APComPower Inc. in an amount not to exceed \$2,250,000.00 for contractual labor required to install previously purchased parts plus some other standard inventory items for the Dallman Unit 31 boiler. The Dallman Unit 31 boiler was inspected following the Dallman Power Plant Unit 31 turbine-generator explosion on November 10, 2007. That inspection was intended to determine areas in need of routine repair or replacement on all components of the Dallman Unit 31 boiler.

This Ordinance also authorizes a Supplemental Appropriation in the amount of \$1,300,000.00 from the Electric Fund Emergency Repair Account No. 102-300-KB-1273 into the Maintenance Boiler Plant Equipment Account No. 102-100-CAM-7711-1205 to partially fund the additional services under this amending ordinance. The original ordinance and this amending ordinance bring the expenditure authorization with APComPower Inc. for these services to \$4,400,000.00.

Criteria for Award: Competitive Sealed Proposals: Only Proposal (**Original Award**)

2009-121 An Ordinance Approving And Authorizing The Execution Of A Professional Services Agreement In An Amount Not To Exceed \$767,000.00 With Crawford, Murphy & Tilly, Inc. For Engineering Services For A Chemical Feed Building For The Water Division Purification Plant And Authorizing A Supplemental Appropriation In The Same Amount (**Requested by Alderman Cahnman**) (**Utilities**)

Description: This Ordinance approves and authorizes the execution of an Agreement for Professional Services with Crawford, Murphy & Tilly, Inc. (CM&T) for engineering services for the design and construction of a Chemical Feed building for the City of Springfield Office of Public Utilities' Water Division Purification Plant in an amount not to exceed \$767,000.00. The Chemical Feed building is needed in order to store chemicals in bulk. At present,

chemicals are purchased in small quantities because of storage space limitations. The new building also will alleviate material handling and safety issues.

Plans and specifications were previously drafted to construct this facility back in 2004. CM&T was the original design engineer and will review these plans and specifications and make necessary modifications and updates. The Water Purification Plant's 1950s electrical system also will be upgraded as part of this project. Besides design plan updates, CM&T will provide construction services for the project.

The utility intends to seek a low- or no-interest loan with possible principal forgiveness using funds from the American Recovery and Reinvestment Act (Economic Stimulus Bill) through the State of Illinois Public Water Supply Revolving Loan Program for this project.

Design Phase Engineering Services will include Project Management, Design Engineering Services, and submittal of the Illinois Environmental Protection Agency (IEPA) Construction Permit Application, IEPA Loan Project Planning and Loan Application assistance. Construction Phase Bidding Services will include Advertisement of Bids, Project Management, Bid Opening and Evaluation, and IEPA Bid Document assistance. Construction Phase Engineering Services will consist of Construction Project Management to include Office, Field Engineering, Specialized Field and Commissioning Services, and IEPA Loan Disbursement Requests and Closeout Documentation.

The total payment for the Scope of Services to CM&T will not exceed \$767,000.00 without written approval by the Springfield City Council. CM&T anticipates completion of the scope of work under this agreement in December 2010. CM&T's services will be provided on a time and expense basis in accordance with the company's Schedule of Hourly Professional Service Billing Rates. Payment for services rendered will be made monthly.

This project was originally intended to be funded through the utility's 2008/2010 Series Water Revenue Bond funds despite the initial engineering portion not being included in the Water Department's Fiscal Year 2010 budget. As a result, this Ordinance further authorizes a Supplemental Appropriation in the amount of \$767,000.00 from the 2008 Water Improvement Account No. 101-300-KB-1149 into the Architectural and Engineering Account No. 101-100-BB-MG24-2306.

Criteria for Award: Professional Services

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