



UTILITIES COMMITTEE MEETING

Wednesday, May 13, 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, April 29, 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**

2009-231 An Ordinance Amending Ordinance No. 48-01-09 With Custom Chemical, Inc. In The Amount Of \$106,320.00 For The Purchase Of Sodium Formate For The Dallman Power Plant Units 31/32 And Unit 33 Wet Flue Gas Desulphurization Systems By Approving And Authorizing The Execution Of Amendment No. 1 To The Agreement And Increasing The Payment Authorization By \$330,240.00 For A Total Amount Not To Exceed \$436,560.00 Payable To Said Vendor For The Electric Generation Department (**Requested by Alderman Simpson**) (**Utilities**)

Description: This Ordinance approves and authorizes execution of Amendment No. 1 in an amount not to exceed \$330,240.00 to the City of Springfield Office of Public Utilities Electric Generation Division's original agreement with Custom Chemical, Inc. approved under Ordinance No. 48-01-09. This original Sole Source agreement with Custom Chemical, Inc. provided for the purchase of Sodium Formate for the Dallman Power Plant Units 31/32 Wet Flue Gas Desulphurization Systems (WFGD) in an amount not to exceed \$106,320.00 on a trial basis. The Electric Generation Department requires additional time to test the Sodium Formate's efficiency in removing the sulfur dioxide (SO₂) in the flue gas emissions. Sodium Formate is one of the chemicals used by the utility for this purpose.

This Ordinance would modify the Original Agreement for Sodium Formate by extending the original term through October 31, 2009, and approving an additional expenditure in the total

amount of \$330,240.00 for this product. The original Ordinance and this Agreement Amendment bring the expenditure authorization with Custom Chemical, Inc. to \$436,560.00.

Criteria for Award: Sole Source (**Original Award**)

2009-232 An Ordinance Authorizing Additional Funding In The Amount Of \$35,000.00 For Legal Services For The Regulatory Affairs Division With Hodge, Dwyer, Driver F/K/A Hodge, Dwyer, Zeman Under An Existing Agreement, For A Total Amount Of \$235,000.00 Payable To Said Vendor (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance authorizes an additional expenditure authorization under an existing agreement with Hodge, Dwyer, Driver f/k/a Hodge, Dwyer, Zeman in an amount not to exceed \$35,000.00 for legal services for the Regulatory Affairs Division for the City of Springfield Office of Public Utilities. Ordinance No. 551-08-07, as amended, approved the retention of Hodge, Dwyer, Zeman as legal counsel to represent the City and the Springfield Metro Sanitary District in a joint petition to the Illinois Pollution Control Board (IPCB) for the issuance of a site specific standard for boron for certain portions of the Sangamon River. This funding increase is necessary for the final legal services concerning these proceedings.

Criteria for Award: Professional Services (**Original Award**)

2009-233 An Ordinance Accepting Bids And Authorizing The Execution Of Contract UW10-03-04 – Riprap Materials For The Lake Springfield Shoreline Stabilization Program With Callender Construction Company, Inc. In The Amount Of \$82,290.00 For The Water Division Land And Water Resources Department (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance accepts Contract UW10-03-04 with Callender Construction Company, Inc. in the amount of \$82,290.00 for the purchase and delivery of approximately 1,500 tons each of two-inch filter stone, 12-inch stone riprap and four- to five-inch gabion stone for the City of Springfield Office of Public Utilities Lake Springfield Shoreline Stabilization Program. Callender Construction Company, Inc. submitted the low bid for the supply of these riprap materials. Only materials needed during the contract period will be ordered; the vendor is not guaranteed a minimum amount.

Criteria for Award: Low Bid

2009-234 An Ordinance Accepting The Bid And Authorizing The Execution Of Contract UW10-03-06 – Powdered Activated Carbon With Calgon Carbon Corporation In An Amount Not To Exceed \$151,800.00 For The Water Division_ (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance accepts Contract UW10-03-06 with Calgon Carbon Corporation in the amount of \$151,800.00 for the purchase of an annual supply of powdered activated carbon for the City of Springfield Office of Public Utilities Water Purification Plant. Calgon Carbon Corporation will be paid a unit price of \$1,320.00 per ton for powdered activated carbon.

Criteria for Award: Low Bid

2009-235 An Ordinance Accepting The Bid And Authorizing The Execution Of Contract UW10-03-13 – Anhydrous Ammonia For The Water Purification Plant With Tanner Industries, Inc. In The Amount Of \$25,600.00 For The Water Division (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance accepts Contract UW10-03-13 with Tanner Industries, Inc. in the amount of \$25,600.00 for the purchase and delivery of anhydrous ammonia, which is used for taste, odor control and chlorine stabilization in the water treatment process at the City of Springfield Office of Public Utilities Water Division Purification Plant. Approximately 40,000 pounds of anhydrous ammonia will be used during the contract period. Tanner Industries, Inc. will supply anhydrous ammonia at a unit price of \$0.64 per pound. The product will be delivered, as needed, two days after receipt of an order.

Criteria for Award: Only Bid

2009-236 An Ordinance Accepting Bids And Authorizing The Execution Of Contract UE09-02-121 – Portable Demineralizer Services For The Dallman Power Plant And Interstate Combustion Turbine For A Three (3) Year Term With MPW Industrial Services, Inc. In The Amount Of \$210,000.00 For The Electric Division Generation Department (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance accepts Contract UE09-02-121 with MPW Industrial Services, Inc. in the amount of \$210,000.00 for the rental of a portable demineralizer on an as needed basis for the City of Springfield Office of Public Utilities Electric Division Generation Department for a three-year term. The equipment will be used to produce high purity water from municipal water, which is required for the power generation process.

Criteria for Award: Low Bid

2009-237 An Ordinance Accepting Bids And Authorizing The Execution Of Contract UE09-02-122 – Relative Accuracy Test Audits For The Continuous Emissions Monitoring Systems At The Dallman And Lakeside Power Plants For A Two (2) Year Period In The Amount Of \$397,636.00, And Approving A Field Modification Allowance In An Amount Not To Exceed \$10,000.00, For A Total Amount Not To Exceed \$407,636.00 With Platt Environmental Services, Inc. (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance accepts Contract UE09-02-122 in the total amount of \$407,636.00 with Platt Environmental Services, Inc. for Continuous Emissions Monitoring Systems (CEMS) and Relative Accuracy Test Audits (RATAs) testing services for the City of Springfield Office of Public Utilities Regulatory Affairs Division Environmental Health and Safety Department for a two-year term. The contract price includes fixed costs for mobilization, testing and demobilization. Platt Environmental Services, Inc. bid \$397,636.00 for this testing. A field modification allowance in the amount of \$10,000.00 is requested to cover possible charges for unanticipated delays that may be caused by weather or CEMS performance problems.

This Contract includes RATA Test Audits for the Continuous Emissions Monitoring Systems (CEMSs) for Dallman Power Plant Units 31, 32 and 33 and the Lakeside Plant 7 and 8 in 2009,

and RATA Test Audits for these same facilities, as well as the Dallman Power Plant Unit 4 in 2010 in the amount of \$98,449.00 for both years. The Contract also includes Particulate Matter and Carbon Monoxide Testing for the Dallman Power Plant Units 31, 32 and 33 and the Lakeside Plant 7 and 8 in 2009, and for these same facilities plus the Dallman Power Plant Unit 4 in 2010 in the amount of \$71,640.00 for both years. This Contract price further covers Volatile Organic Material, Hydrochloric Acid, Hydrofluoric Acid, Sulfuric Acid Mist, Dioxin/Furan and Metals testing for the Dallman Unit 4 in addition to its Particulate Matter and Carbon Monoxide testing.

In addition, this Ordinance and Contract provides for Mercury Testing for the Dallman Units 31/32, Dallman Unit 4 and Lakeside Plant 7/8 in 2009 and 2010 in the amount of \$208,578.00 for both years. And lastly, it includes Nitrogen Oxide (NOx) Curve Development test for the Interstate Unit 1 turbine in 2009 for a price of \$18,969.00.

Criteria for Award: Low Bid

2009-238 An Ordinance Accepting The Bid And Authorizing The Execution Of Contract UE10-03-01 – Dallman Units 31 And 32 Slurry Valves (Knife Gates) With Tyco Valves & Controls LP In An Amount Not To Exceed \$195,783.00 For The Electric Generation Department (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance accepts Contract UE10-03-01 with Tyco Valves & Controls LP in the total amount of \$195,783.00 for the purchase, delivery and installation of four new knife gates (slurry valves) for Dallman Power Plant Unit Nos. 31/32 Scrubber for the City of Springfield Office of Public Utilities' Electric Generation Department.

Criteria for Award: Low Bid

2009-239 An Ordinance Accepting And Authorizing The Execution Of A Quotation With Telemedia, Inc. In The Amount Of \$25,999.96 For The Purchase Of 63 Sets Of Apprentice Fireman And Oiler Manuals For The Electric Division Generation Department (**Requested by Alderman Simpson**) (**Utilities**)

Description: This Ordinance approves and authorizes the execution of a Quotation with Telemedia, Inc. for the purchase of 63 sets of Apprentice Fireman and Oiler Manuals for the City of Springfield Office of Public Utilities Electric Division Generation Department in the total amount of \$25,999.96. These manuals consist of training materials each newly hired apprentice must utilize as a part of the four-year Fireman and Oiler Joint Apprentice Program.

Criteria for Award: Sole Source

2009-240 An Ordinance Accepting And Authorizing The Execution Of Quotation No. 01569429 With Alstom Power, Inc. In The Amount Of \$28,459.00 For Repairs To The Dallman Power Plant Unit No. 33 Spare Mill Exhauster Wheel For The Electric Generation Department (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance approves and authorizes execution of Quotation No. 01569429 with Alstom Power, Inc. for repairs to Dallman Power Plant Unit No. 33's spare mill exhauster wheel in the amount of \$28,459.00 for the Office of Public Utilities' Electric Generation

Department.

Criteria for Award: Sole Source

2009-241 An Ordinance Authorizing Payment To Central Illinois Light Company D/B/A AmerenCILCO In An Amount Not To Exceed \$1,147,500.00 For The Purchase Of Natural Gas Under An Existing Rate Schedule For The Startup Of Dallman Power Plant Unit No. 4 For The Electric Generation Department (**Requested by Alderman Simpson**) (**Utilities**)

Description: This Ordinance approves payment in an amount not to exceed \$1,147,500.00 to Central Illinois Light Company d/b/a AmerenCILCO for the purchase of natural gas under an existing rate schedule for the startup of Dallman Power Plant Unit No. 4 for the Electric Generation Department for the Office of Public Utilities. Natural gas is used as the startup fuel source for the Dallman Power Plant Unit No. 4 boiler. Unit No. 4 utilizes natural gas to provide the initial heating source to produce sufficient energy for coal combustion.

The Electric Generation Department has estimated their expected natural gas usage over the course of one year for Unit No. 4 and determined that the Commercial GDS-3 Intermediate General Gas Delivery Service rate provided by Central Illinois Light Company d/b/a AmerenCILCO is the preferable rate for the Office of Public Utilities. Funding under this ordinance covers the estimated expenditure for these services for one year.

Criteria for Award: Sole Source

2009-242 An Ordinance Approving And Authorizing The Execution Of An Agreement For Reimbursable Utility Adjustment With The State Of Illinois Department Of Transportation For Installation Of Safety Street Lighting On North Dirksen Parkway For The Electric Division (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance approves and authorizes execution of an Agreement for Reimbursable Utility Adjustment between the City of Springfield and the State of Illinois Department of Transportation (IDOT). The agreement details compensation to be received from IDOT for the installation of safety street lighting on North Dirksen Parkway from Clearlake Avenue to Ridge Avenue. The project includes installation of approximately 85 250-watt, high pressure sodium street lights on 15-foot mast arms, transformers and overhead secondary cables on new and existing poles.

In accordance with the agreement, the State of Illinois agrees to pay the utility the estimated amount of \$86,480.00 for material, equipment and labor necessary to install the safety street lighting. The utility anticipates completing this work in August of 2009. The utility must provide IDOT a final and complete billing of all costs incurred within 60 days after completion of the work.

2009-243 An Ordinance Approving And Authorizing The Execution Of A New Water Service Agreement Between The City Of Springfield And The Village Of Rochester, Illinois, For A 20-Year Term For The Water Division (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance approves and authorizes execution of a new Water Service Agreement between the City of Springfield and the Village of Rochester on behalf of the City

of Springfield Office of Public Utilities' Water Division. The City's previous agreement for wholesale water service with the Village of Rochester expired on February 28, 2009. This new agreement would be effective as of March 1, 2009, after execution by both the Village of Rochester and the City.

The City of Springfield has served the Village of Rochester with wholesale water service since 1935. The new agreement is for a 20-year term. The prior agreement was for a 10-year term. Pursuant to the agreement, the City agrees to provide the Village of Rochester water distribution capacity of 1,000,000 gallons per day at a pressure of not less than 40 pounds per square inch measured at ground level at the meter. The initial base rate under the new agreement will be \$2.330 per unit, i.e., per 100 cubic feet or 748 gallons of water. This is the same rate with the same rate formula for rate adjustment as Grandview, Jerome, and Williamsville-Sherman.

The Village of Rochester's rate at the time its previous contract expired was \$2.94 per unit of water. The Village's water rate under the new agreement is subject to review at the end of each City of Springfield fiscal year, and shall be adjusted upward or downward in accordance with Agreement provisions pertaining to applicable City of Springfield operating and debt service costs.

This agreement, as well as the Village of Rochester's last agreement, includes an earlier termination provision whereby the Village may terminate the Agreement at any time upon prior written notice to the City at least three years prior to termination. The remaining terms and conditions of the new agreement are similar or identical to those under the previous Village of Rochester Water Service agreement.

2009-263 An Ordinance Authorizing Payment To Solutia Inc. In An Amount Not To Exceed \$621,100.00 For The Purchase Of Adipic And Dibasic Acid For The Dallman Power Plant Scrubbers For A One-Year Term (**Requested by Alderman Simpson**) (**Utilities**)

Description: This ordinance authorizes 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 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.

The ordinance authorizes the purchase and delivery of approximately 560,000 pounds of Dibasic Acid and 40,000 pounds of Adipic Acid from Solutia Inc. over the course of one year. There is no guarantee to the vendor as to how much of either product the utility will use. Dibasic Acid will be provided at a price of \$0.82 per pound and Adipic Acid at a price of \$0.995 per pound, as needed. These prices exclude freight, which will be prepaid and added onto orders.

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