



## **UTILITIES COMMITTEE MEETING**

**Wednesday, May 27, 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, May 13, 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**

**2009-271** An Ordinance Approving And Authorizing Execution Of Amendment No. 1 To The Amended And Restated Power Purchase Agreement Between The City Of Springfield Office Of Public Utilities And Crystal Lake Wind, LLC For The Purchase Of Wind Energy And Environmental Credits Approved Under Ordinance No. 837-12-08 (**Requested By Alderman Simpson**) (**Utilities**)

Description: This Ordinance approves and authorizes execution of Amendment No. 1 to the Amended and Restated Power Purchase Agreement between the City of Springfield Office of Public Utilities and Crystal Lake Wind, LLC for the purchase of wind energy and environmental credits approved under Ordinance No. 837-12-08. The Amended and Restated Power Purchase Agreement between the parties conforms the terms and conditions of the alternate Wind Project for 100 megawatts (MW) of purchased wind power being acquired by the City.

This Agreement intends for the City's Market Participant to assume asset ownership of the Commercial-Pricing Node (CPNode) established where the Wind Farm is electrically connected to the bulk electric system. Earlier this year, there was a 250 MW expansion at the Wind Farm (Phase II). Therefore, metering equipment revisions have been completed at both phases of the Wind Farm to better accommodate the addition of Phase II and to give multiple off-takers the ability to maintain joint ownership of the Wind Farm CPNodes.

This Amendment No. 1 to the Amended and Restated Power Purchase Agreement between the City and Crystal Lake Wind establishes new definitions providing for an Allocated Delivery Point, which represents a new CPNode for the City's 100 MW purchase, while still retaining the concept of the Initial Delivery Point CPNode under which the City already schedules wind energy. This will allow the City's Market Participant to obtain asset ownership of the CPNode for no more than the City's 100 MW purchase amount.

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

**2009-272** An Ordinance Authorizing A Change In Scope Of Contract UW09-06-39 – Work Vehicles For The Water Division With Landmark Ford, Inc. In The Amount Of \$60,693.00 By Authorizing The Purchase Of An Additional Vehicle For \$20,231.00, For A Total Amount Of \$80,294.00 Payable Under This Contract (**Requested By Alderman Simpson**) (**Utilities**)

Description: This Ordinance approves a Change Order to Contract UW09-06-39 for the purchase of three 2009 Ford Escape Sport Utility Vehicles from Landmark Ford, Inc. for the Water Division for the Office of Public Utilities by authorizing the purchase of another identical 2009 Ford Escape Sport Utility Vehicle and increasing the total amount payable to the vendor by \$20,231.00.

Ordinance No. 508-08-08 approved the original contract with Landmark Ford, Inc. in the amount of \$60,693.00. The additional vehicle, which is being purchased at the same price, will be used as a pool vehicle at the Water Engineering Department for field inspections and investigations. The new vehicle will replace Vehicle No. 386, a 1998 Ford Taurus, which has been impounded and declared not road worthy by the Vehicle Maintenance Facility. The original ordinance and Change Order bring the total amount payable to Landmark Ford, Inc. to \$80,294.00.

Criteria for Award: Only Bid (**Original Award**)

**2009-273** An Ordinance Accepting Bids And Authorizing The Execution Of Contract UE10-03-14 – Relay Switchboard Panels For The Klein Substation With Keystone Electrical Manufacturing Co. In The Amount Of \$120,989.12, Plus A Field Modification Allowance In The Amount Of \$10,000.00, For A Total Amount Payable Of \$130,989.12 To Said Vendor For The Electric Division (**Requested By Alderman Simpson**) (**Utilities**)

Description: This ordinance accepts Contract UE10-03-14 with Keystone Electrical Manufacturing Co. in the total amount of \$130,989.12 for the purchase of two new relay switchboard panels for the City of Springfield Office of Public Utilities Electric Division Substation Department. A field modification allowance in the amount of \$10,000.00 is requested to cover any unforeseen conditions.

This equipment, which will be installed at the Klein Substation located at 221 West Madison Street, is part of a project to add circuit breakers to the substation to provide greater reliability. This project includes design, manufacture, accessories and delivery of the relay switchboard panels. The equipment has a 10-week lead time and will be delivered before September 11, 2009.

Criteria for Award: Low Bid

**2009-274** An Ordinance Accepting Bids And Authorizing The Execution Of Contract UE10-04-17 – Road Maintenance Services With Truman L. Flatt & Sons Co., Inc. In The Amount Of \$105,000.00 For The Administrative Services Division And Electric Division **(Requested By Alderman Simpson) (Utilities)**

Description: This ordinance accepts Contract UE10-04-17 with Truman L. Flatt & Sons Co., Inc. in an amount not to exceed \$105,000.00 for labor, equipment and materials to maintain parking lots and roadways located in the Lake Springfield area, as well as the access road to the Dallman Power Plant Scrubber Landfill for the City of Springfield Office of Public Utilities through June 1, 2010.

Road maintenance materials to be furnished, delivered and applied include MC-30 Prime Coat, AC-2.5 Seal Coat and Seal Coat Aggregate. This is a unit price contract. Quantities of materials listed in the contract specifications are solely used for evaluation purposes. There is no guarantee of the actual quantities to be purchased during the contract period.

Criteria for Award: Low Bid

**2009-275** An Ordinance Accepting Bids And Authorizing The Execution Of Contract UE10-04-15 – Maintenance And Repair Of Heavy Equipment For The Dallman Power Plant Complex With Roland Machinery Company In The Amount Of \$150,000.00 For The Electric Generation Department **(Requested By Alderman Simpson) (Utilities)**

Description: This ordinance accepts Bid Contract UE10-04-15 with Roland Machinery Company for the maintenance and repair of heavy equipment, including three excavators, three wheel loaders, and two crawlers for the City of Springfield Office of Public Utilities Electric Division Generation Department through April 30, 2010. This contract authorizes the utility to spend up to \$150,000.00 in total over the one-year contract term with the vendor.

The Dallman Power Plant Complex uses this equipment in its coal handling operations. This equipment also is used to clean and maintain the ash ponds, Scrubber landfill, and Filter Plant lime ponds. Regular maintenance is essential for the equipment to operate efficiently. This contract specifies technician regular and overtime hourly rates, as well as service costs for specified equipment. Rebuilt components or repairs made by the vendor are warranted against defects in material or workmanship for six months or 1,000 hours, whichever occurs first.

Criteria for Award: Low Bid

**2009-276** An Ordinance Accepting And Authorizing The Execution Of Proposal No. UE09-20-62.0202-CWLP With Siemens Energy, Inc. In An Amount Of \$5,895,000.00 For The Design And Materials To Upgrade The Dallman Power Plant Unit No. 33 Flue Gas Desulfurization System For The Electric Division Generation Department **(Requested By Alderman Simpson) (Utilities)**

Description: This ordinance accepts and authorizes the execution of Proposal No. UE09-20-62.0202-CWLP with Siemens Energy, Inc. in an amount of \$5,895,000.00 for the design and

materials to upgrade Dallman Power Plant Unit No. 33 Flue Gas Desulfurization System (FGDS) for the Electric Division Generation Department for the Office of Public Utilities. Siemens Energy will provide a new design for the internals of the Dallman Unit 33 FGDS Absorber Towers. The Scope of Work under this contract with Siemens Energy includes modifications and upgrades to the Unit No. 33 FGDS Quench Tank, Lower Loop Absorption Zone, Absorber Feed Tank, Upper Loop Absorption Zone, and Mist Eliminators. Actual construction will be supplied by another contract to be developed by the Black & Veatch Corporation.

This project is required due to the advent of stricter Sulfur Dioxide (SO<sub>2</sub>) emissions limits for utility coal fired units. The Scrubbers use limestone and water to neutralize SO<sub>2</sub> in the flue gas emissions. Due to Dallman Power Station air permit requirements, the Office of Public Utilities must improve site-wide SO<sub>2</sub> removal efficiency to 98 percent by January 15, 2015. This contract will be effective through the Spring of 2011. Competitive Sealed Proposals were sought for this project with Siemens providing the Only Responsive Proposal for this upgrade. In addition, Siemens is the designer and supplier of the Dallman Power Plant Unit 4 FGDS. This project will be funded by the Electric Division 2008 Electric Revenue Bond Issue.

Criteria for Award: Competitive Sealed Proposals: Only Responsive Proposal

**2009-277** An Ordinance Approving And Authorizing The Execution Of A Proposal For Engineering Services With Black & Veatch Corporation In An Amount Not To Exceed \$1,980,000.00 For Modifications To The Dallman Power Plant Unit No. 33 Flue Gas Desulfurization System For The Electric Division Generation Department (**Requested By Alderman Simpson**) (**Utilities**)

Description: This ordinance approves and authorizes the execution of a Proposal for Engineering Services with Black & Veatch Corporation in an amount not to exceed \$1,980,000.00 for engineering, construction management and startup support services for the balance of plant equipment and modifications for the Dallman Power Plant Unit No. 33 Flue Gas Desulfurization System (FGDS) upgrade project for the City of Springfield Office of Public Utilities Electric Division Generation Department. These services are required due to the advent of stricter sulfur dioxide (SO<sub>2</sub>) emissions limits for utility coal fired units.

The Scope of Work with Black & Veatch Corporation covers engineering work for equipment upgrades and replacements to include replacing the booster fans, repairing various pumps, replacing or repairing duct work, replacing siding and miscellaneous electrical work. This work will include detailed design, developing specifications, and evaluation of bids. Black & Veatch also will provide on-site construction and engineering support during construction and startup. This agreement will extend through the Spring 2011. This agreement will be funded by the Electric Division 2008 Electric Revenue Bond Issue.

Criteria for Award: Professional Services

**2009-278** An Ordinance Accepting And Authorizing Execution Of An Agreement With ICG, LLC For The Disposal Of Coal Ash From Dallman Power Plant Unit No. 4 In An Amount Not To Exceed \$1,335,000.00 From The Start-Up Of The Unit Through December 31, 2011, For The Electric Generation Department (**Requested By Alderman Simpson**) (**Utilities**)

Description: This Ordinance approves and authorizes the execution of an Agreement for the disposal of coal ash from the Dallman Power Plant Unit No. 4 with ICG, LLC for the City of Springfield Office of Public Utilities' Electric Generation Department in an amount not to exceed \$1,335,000.00 from the start-up of the unit through December 2011. The utility anticipates that approximately 50,000 tons of coal ash will be disposed of annually during the contract term.

The price for the disposal/handling is \$9.50 per ton for 2009, \$10.00 per ton for 2010, and \$11.00 per ton for 2011. Authorization to transport Dallman 4 coal ash to the mine will be sought via a separate contract.

Criteria for Award: Sole Source

**2009-279** An Ordinance Authorizing Payment To Business Communication Systems Of Illinois, Inc. For Current Hardware Maintenance Fees For The Supervisory Control And Data Acquisition System In The Amount Of \$13,514.34 And Future Maintenance Fees For Said Hardware Maintenance Under City Of Springfield Small Purchasing Procedures For The Electric Division **(Requested By Alderman Simpson) (Utilities)**

Description: This Ordinance authorizes payment to Business Communication Systems of Illinois, Inc. for hardware maintenance of the Supervisory Control and Data Acquisition (SCADA) system located at the Electric Division Groth and Miller Street facilities in the amount of \$13,514.34 for the City of Springfield Office of Public Utilities Electric Division Transmission, Distribution and Operations Department for the period of April 1, 2009, through March 31, 2010. This Ordinance also ratifies the payment of prior annual hardware maintenance in the total amount of \$50,818.11 for the utility's SCADA system from April 1, 2002, through March 31, 2009, previously paid annually pursuant to City Small Purchasing Procedures. In addition, this Ordinance authorizes payment of future annual SCADA system hardware maintenance in an amount not to exceed \$15,000.00 for the retention period of said hardware in accordance with City Small Purchasing Procedures.

The SCADA system is a computer system that controls and monitors all of the Electric Division substations and generation facilities. The system allows Electric Division System Operators to diagnose problems and restore power more efficiently.

Criteria for Award: Sole Source

**2009-280** An Ordinance Approving And Authorizing Execution Of A Residential Lease Agreement With Terry J. House And Charlotte A. House For A One-Year Term For The Administrative Services Division **(Requested By Alderman Simpson) (Utilities)**

Description: This ordinance authorizes the execution of a residential property lease agreement with Terry J. House and Charlotte A. House for a one-year term for the Administrative Services Division for the City of Springfield Office of Public Utilities. The leased property commonly known as 9820 Lost Forty Road (Site No. 98) is located in Pawnee, Illinois, and comprises approximately 2.0 acres with a single family residence on the premises. The tenant will pay rent monthly in the amount of \$650.00. The one-year lease term begins May 1, 2009, and expires April 30, 2010. The lease may be cancelled with 30 days written notice or extended by mutual agreement in accordance with the lease provisions.

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