

City staff received a quotation from Eaton for the replacement buckets in the amount of \$149,732.28. The quotation includes 20 new replacement buckets that contain the required updated equipment and fit within the existing MCC, and parts to update communications on three additional buckets. The quotation is only for equipment, as Eaton does not perform installation. The City will need to separately bid the labor portion of the project to install the new MCC buckets. A project budget including these additional costs is shown below:

Expenses:		Funding Sources:	
Design (AP4)	\$149,670	CT Generation Improvements CIP (Current)	\$750,000
Design (Zachry Group)	\$96,000	CT Generation Improvements CIP (FY 2024/25)	\$600,000
Control Equipment & Installation (Estimate)	\$1,650,000	RDF Bin Renovation Project Avail. Balance	\$902,480
Replacement Buckets (This Action)	\$149,732.28		
Bucket Installation (Estimate)	\$23,500		
TOTAL	\$2,068,902.28	TOTAL	\$2,243,330

The approved FY 2023/24 CIP includes a balance of \$750,000 to update the controls on both Combustion Turbines. The proposed 2024/25 CIP contains an additional \$600,000 for a total amount of \$1,350,000. After receiving input from the project consultant, AP4, it is estimated that an additional \$149,732.28 will be needed to cover all expenses. Funding to supplement these additional costs will come from savings from the RDF Bin Renovation project, which contains an available balance of \$902,480 as a result of a highly favorable construction bid, as outlined above in the table.

ALTERNATIVES:

1. Waive the City's purchasing policy requirement for formal bidding procedures and award a contract to Eaton Corporation, of Chicago, Illinois, in the amount of \$149,732.28
2. Do not award a contract at this time.

CITY MANAGER'S RECOMMENDED ACTION:

During the CT1 Controls Upgrade Project, staff learned that it will be necessary to replace MCC buckets in order to complete the project. The most effective and reliable option for replacing the buckets is to work with the original equipment manufacturer. Opening the specifications to other equipment suppliers would require a complex redesign of the MCC and extensive labor to retrofit a majority of the existing equipment. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.