

**City of Yuba City
Staff Report**

Date: November 6, 2007
To: Honorable Mayor & Members of the City Council
From: General Services/IT Department
Presentation By: Devin Barber, General Services/IT Director

Summary

Subject: **Capstone Micro Turbine Engines (FB 08-11)**

Recommendation: Award the purchase of four (4) Capstone Micro Turbines Engines to the low bidder, Capstone Turbine Corporation of Chatsworth, CA for \$67,035.56 and approve budget transfers in the amount of \$55,000.00 from Wastewater Treatment Facility O&M Co-Generation account # 8120-63472 and \$12,035.56 from Wastewater Treatment Facility O&M Major Maintenance account # 8120-63451 to Wastewater Treatment Equipment account #8120-69201.

Fiscal Impact: \$67,035.56. Wastewater Treatment Equipment 8120-69201

Background:

During the Wastewater Treatment Facility upgrade in 2003, ten (10) Capstone Micro Turbines were installed as part of the electrical co-generation system in order to utilize the methane gas produced in the treatment process. We are replacing four (4) of the Micro Turbine engines due to engine failure caused by seized bearings. An improved gas conditioning system is being purchased to alleviate seized bearings from occurring in the future.

Analysis:

General Services' staff worked with Utilities Department to ensure that the micro turbines engine specifications meet the City's requirements. A formal bid was developed and advertised according to the City's ordinances. Ten (10) vendors received bid notification. The City received a total of three (3) bid packages. Two (2) bid packages were received on or before the bid opening date and time and one (1) bid package was received after the bid opening date. The following bids were received:

<u>Vendor</u>	<u>Price Per Micro Turbine Engine</u>	<u>Total Bid</u>
Capstone Turbine Corporation Chatsworth, CA	\$16,758.89	\$67,035.56
EC Power System Portland, OR	\$21,351.33	\$85,405.32

Fiscal Impact:

Funding for this purchase has been appropriated in the FY08 budget and is available in the O&M account #'s 8120-63472 Co Generation and 8120-63451 Major Maintenance. The account balance for 8120-63472 is \$55,000 and \$139,533.83 in account 8120-63451, so sufficient funds are available for this purchase.

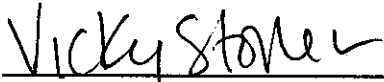
Alternatives:

- 1) Reject the bid
- 2) Request new bid process
- 3) Do not purchase

Recommendation:

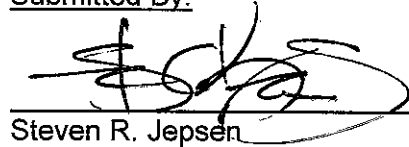
Award the purchase of four (4) Capstone Micro Turbines Engines to the low bidder, Capstone Turbine Corporation of Chatsworth, CA for \$67,035.56 and approve budget transfers in the amount of \$55,000.00 from Wastewater Treatment Facility O&M Co-Generation account # 8120-63472 and \$12,035.56 from Wastewater Treatment Facility O&M Major Maintenance account # 8120-63451 to Wastewater Treatment Equipment account #8120-69201.

Prepared By:



Vicky Stollek
Administrative Analyst


Submitted By:



Steven R. Jepsen
City Manager

Reviewed By:

Department Head



Utilities

Finance



City Attorney
