

Introduced by _____

First Reading _____

Second Reading _____

Ordinance No. _____

Council Bill No. B 197-12

AN ORDINANCE

determining it is in the public interest to design and construct an engine/generator set to provide additional capacity at the Landfill Gas Electric Generation Plant; approving and adopting plans and specifications; determining that the work shall be done by a design-build contract; providing for request for proposals through the Purchasing Division; authorizing the City Manager to execute a design-build contract; providing for payment for the improvement; appropriating funds; authorizing the City Manager to obtain, execute and record all documents necessary for the improvement; providing for compliance with the prevailing wage law and state-mandated construction safety training; and fixing the time when this ordinance shall become effective.

WHEREAS, the City Council adopted a resolution declaring the necessity of designing and constructing an engine/generator set to provide additional capacity at the Landfill Gas Electric Generation Plant; and

WHEREAS, the notice of a public hearing on this project was published in a daily newspaper of general circulation in the city; and

WHEREAS, the City Council has held a public hearing on construction of the improvement.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Council finds that the design and construction of an engine/generator set to provide additional capacity at the Landfill Gas Electric Generation Plant in the City of Columbia, Missouri, is necessary for the welfare and improvement of the city and that it is in the public interest that such improvements be made.

SECTION 2. The Purchasing Agent is hereby authorized to request proposals for the design and construction of the improvement.

SECTION 3. The City Manager is hereby authorized to execute a design-build contract pursuant to Section 22-76 of the City Code.

SECTION 4. Payment for this improvement shall be made from funds appropriated in Capital Improvement Project EL0155 and such other funds as may be lawfully appropriated.

SECTION 5. The sum of \$650,000.00 is hereby appropriated from the Retained Earnings Account No. 551-0000-351.01-00 to the Landfill Gas Generator Account No. 551-7140-881.49-90, EL0155.

SECTION 6. The City Manager is authorized to obtain, execute and have recorded all licenses, easements, deeds and any other conveyances or instruments necessary for the City to complete this improvement.

SECTION 7. The contract for the improvement shall provide that not less than the prevailing hourly rate of wages, as found by the Department of Labor and Industrial Relations of Missouri, shall be paid to all workers performing work under the contract. The contractor's bond shall guarantee the faithful performance of the prevailing hourly wage clause in the contract.

SECTION 8. The bid specifications and contract for the improvement shall provide that the contractor and any subcontractor shall provide a ten-hour Occupational Safety and Health Administration construction safety program (or a similar program approved by the Missouri Department of Labor and Industrial Relations) for all employees working on-site. All employees working on the site of the improvement are required to complete the safety program within 60 days of beginning work on the improvement project.

SECTION 9. This ordinance shall be in full force and effect from and after its passage.

PASSED this _____ day of _____, 2012

ATTEST:

City Clerk

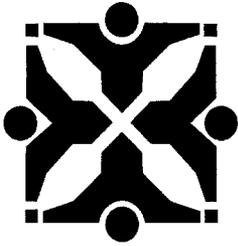
Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor

CERTIFICATION: I certify there are sufficient funds available in the Retained Earnings Account No. 551-0000-351.01-00 to cover the above appropriation.

Director of Finance



Source: Water & Light *TLB*

Agenda Item No:

To: **City Council**
From: **City Manager and Staff** *MM*

Council Meeting Date: Aug 6, 2012

Re: Public Hearing - Addition of Capacity at Landfill Gas Electric Generation Plant.

EXECUTIVE SUMMARY:

Staff has prepared for Council consideration a resolution setting a public hearing for August 20, 2012 concerning the addition of Capacity at the Landfill Gas Electric Generation Plant. Based on the type of project, the expertise in the area landfill gas electric generation and the project time goals, staff is recommending this project be executed through a design build contract.

DISCUSSION:

Columbia Water & Light (CWL) owns and operates an electrical production plant at the City Landfill that uses methane produced in the landfill to fuel two GE-Jenbacher reciprocating engine/generators. Each GE-Jenbacher set has a capacity of about 1 MW. The plant entered service in June 2008, and produced 13,684 MWHs in 2011. As the fuel for the engines is methane from the natural decay of material in the landfill, the energy produced in the Landfill Gas Electric Generation Plant is part of CWL's renewable energy portfolio. For 2011, the Landfill Gas Electric Generation Plant produced 1.2% of Columbia's total energy.

When the Landfill Gas Electric Generation Plant was constructed, provisions for future engine/generator sets were made. The landfill is currently producing sufficient methane to power an additional engine/generator and CWL has issued a Request for Proposals through the Purchasing Department. The best valued proposal received was a design-build contract in the amount of \$1,620,100. This project is currently funded in CWL's CIP in the amount of \$1,000,000. An additional \$650,000 needs be appropriated to complete the project.

Water & Light pays Public Works \$11.38 per MWh for the methane gas produced at the Landfill. This addition has a capital cost of \$1,620 per KW and with operating and maintenance costs, gives an all in cost of about \$47 per MWh which compares favorably to CWL's other base load and renewable resources. This project is estimated to have a .6% impact on CWL's renewable energy portfolio and a .01% impact on rates with respect to the 3% specified in the ordinance. In terms of the renewable energy portfolio, the Landfill Gas Electric Generation Plant will increase from 1.2% to about 1.8% of Columbia's total energy requirement. When complete, the project will increase the Landfill Gas Plant's capacity by 50% to 3.0 MW.

FISCAL IMPACT:

The engineer's estimate for the addition of 1MW of capacity to the the Landfill Gas Electric Generation Facility is \$1,620,100. Financing for this was previously appropriated as part of the FY12 CIP Budget. An additional appropriation of \$650,000 is necessary to cover the expected contract cost.

VISION IMPACT:

<http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php>

9.3 Goal: Columbia will work toward achieving maximum energy efficiency and transition to renewable energy sources.

SUGGESTED COUNCIL ACTIONS:

Declare a public necessity, schedule a public hearing, appropriate funds and authorize the City Manager to sign a contract for the addition of an engine/generator set at the Water & Light Landfill Gas Plant.

FISCAL and VISION NOTES:					
City Fiscal Impact Enter all that apply		Program Impact		Mandates	
City's current net FY cost	\$0.00	New Program/ Agency?	No	Federal or State mandated?	No
Amount of funds already appropriated	\$1,000,000.00	Duplicates/Epands an existing program?	No	Vision Implementation impact	
Amount of budget amendment needed	\$650,000.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 year net costs:		Resources Required		Vision Impact?	Yes
One Time	\$0.00	Requires add'l FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	9.3
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	