

FOR BOARD ACTION

Agenda Item # 4.b.

Meeting Date:

5/30/06

SUBJECT:

Steam Project
Profession Services - Purchase Order Agreement
Wiss, Janney, Elstner Associates, Inc.

PREPARED BY:

Wally Schlink, Director of Power Resources

ITEM DESCRIPTION:

The steam delivery line that connects the Silver Lake Plant with the Prospect Utility Plant has developed a problem with leakage at the expansion joints which are contained within the 10 vaults. The purpose of the joints are to allow the pipe to expand and contract as it heats up or cools down. It appears that there is some degree of misalignment of the high pressure steam piping ranging from significant to minor which is causing a failure of the expansion joints and releasing live steam. The steam conditions are 625 p.s.i.g. and 750°.

Our initial analysis indicates that the misalignment is being caused due to settling of the piping although the specific cause has not been determined. Potentially this type of problem could be due to the piping support, misapplication of materials, QA/QC issues, engineering issues as applied to materials, installation or construction or any number of variables that has caused the problem.

It is extremely important that we not only resolve and correct the immediate problem but also identify the root cause to assure that the long term implications of any decisions are understood and evaluated. We are getting cooperation from the contractor, vendors and the project engineers but staff and the customer thinks it prudent to have an independent party review, provide direction, perform engineering forensics and provide oversight to the investigation, testing and actions we take.

Staff and the customer both feel that Wiss, Janney, Elstner Associates, Inc. is uniquely qualified to provide these independent services. The customer has used the firm in the past for similar failure analysis and has been pleased with their performance.

This service will be a pass through cost handled through the normal channels for the steam project.

UTILITY BOARD ACTION REQUESTED:

Staff recommends that the Utility Board approve a purchase order agreement for professional services on a time and materials basis with Wiss, Janney, Elstner Associates, Inc. not to exceed \$100,000.



General Manager



Date

ROCHESTER PUBLIC UTILITIES



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a purchase order agreement with Wiss, Janney, Elstner Associates, Inc. (WJE), for

Professional Services
Engineering Forensics for Steam Delivery Line

The amount of the purchase order not to exceed ONE HUNDRED THOUSAND DOLLARS AND NO/100 (\$100,000.00).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 30th day of May, 2006.

President

Secretary