



# STATUS OF POWER PLANT UPGRADES

# Master Contract between Current River Electric (CRE) and City

- Contract signed on January 15, 2021
- 4 tasks outlined in the contract
  - Fuel System Replacement = \$330,000
  - Genset #3, #4 and #5 Replacement = \$785,500
  - Switchgear Replacement = \$486,800
  - Electrical Distribution (Airport Feeder Line) = Estimated \$1,190,644
- Deposits Paid for Commencement of Work
  - \$50,000 for Fuel System
  - \$250,000 for Gensets
  - \$150,000 for Switchgear



## Items Completed to Date

- John Deere gensets #3, #4, #5 purchased
- J-Boxes and materials for skids for gensets purchased
- Items are at CRE in Wasilla

# Issues

- In May 2021, the owners of CRE informed me that they lost the power generation employees (Dillon, Scott and others).
- CRE could not commit to completion of fuel system, genset, switch gear replacement

## Change Order with CRE

- A Change Order on the CRE contract was processed in July 2021
  - Fuel System Replacement was removed
    - \$50,000 deposit paid by City to CRE was returned
  - Switchgear Replacement was removed
    - \$145,000 of the \$150,000 deposit paid by City to CRE was returned
    - \$5,000 was expended by CRE on working with Controlled Power on switchgear specs
  - CRE to transfer gensets and parts to City's contractor of choice to complete the work

# Where Projects Are At Now

- Dillon Willis reformed his old company Northern Generation and Power (NGP)
- Contract between NGP and City signed in June 2021 for:
  - Repairs to Unit #1
  - Make Units #3 and #4 Operational
  - Install generator end from UCSG on Unit #5
  - Waiting for Dillon to come out to perform the work
- Master Contract between Gray Stassel Engineering (GSE) and City signed in August 2021 for:
  - Airport Feeder Line Design
  - NOTE – CRE and NGP contract GSE for engineering services.

# Recommended Path Forward

- City contract directly with GSE for:
  - Fuel system design and inspection
  - Genset design and inspection
  - Working with Controlled Power on switchgear design
  - Coolant system design and inspection
  - Exhaust system design and inspection

# Recommended Path Forward

- City purchase switchgear directly from Controlled Power:
  - Quote already received, but not vetted by GSE
  - NOTE – Will require sole source purchase resolution from Council
- Contract with NGP to:
  - Install fuel system
  - Install John Deere gensets
  - Install switchgear
  - NOTE – Will require sole source purchase resolution from Council