



Gaston County

Gaston County
Board of Commissioners
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Public Works Board Action

File #: 23-414

Commissioner Cloninger - Public Works - To Authorize Innio Jenbacher North America, LLC as a Sole Source Provider for a GE 420 Engine Block and to Transfer Funds into the Appropriate Expenditure Account for the Purchase **(\$492,716)**

STAFF CONTACT

Dan Ziehm, PE - Public Works Director - 704-862-6795

BUDGET IMPACT

Transfer \$492,716 from the Landfill Division to the Renewable Energy Center Division.

BUDGET ORDINANCE IMPACT

N/A

BACKGROUND

The Gaston County Solid Waste and Recycling Division is committed to providing services in the most economical and efficient manner that comply with all local, state, and federal guidelines. The Renewable Energy Center is an integral part of that effort through converting harmful methane gas into electricity that is sold on the local power grid.

The Renewable Energy Center utilizes three (3) Jenbacher GE 420 landfill gas engines. The manufacturer estimated life expectancy for these generators is 60,000 hours. The diligence of our power plant operators and their commitment to preventive maintenance have allowed our facility to get maximum hours out of our engines. The facility currently has one engine that is at 59,336 operating hours. Replacement engines now take between 8-12 months for delivery. Landfill staff needs to start the procurement process for the replacement engine block now to limit any potential downtime. Due to Jenbacher being the only manufacturer of this specific engine, this will require a sole source purchase from Innio Jenbacher North America, LLC who is the sole authorized Jenbacher distributor for our territory.

Approval of this Board Action authorizes staff to move forward with a sole source purchase of the necessary engine block from Innio Jenbacher North America, LLC, approves the necessary transfer of funds into the appropriate expenditure account per the attached Budget Change Request, and authorizes the County Manager, or her designee, to execute the necessary contracts and/or purchase orders for the replacement of the engine block, labor to install the engine block, and conduct initial commissioning.

POLICY IMPACT

N/A

ATTACHMENTS

Budget Change Request (BCR) and Sole Source Letter

DO NOT TYPE BELOW THIS LINE

I, Donna S. Buff, Clerk to the County Commission, do hereby certify that the above is a true and correct copy of action taken by the Board of Commissioners as follows:

NO.	DATE	M1	M2	CBrown	CCloninger	AFraley	BHovis	KJohnson	TKeigher	RWorley	Vote
2023-332	09/26/2023	BH	AF	A	A	A	A	AB	AB	A	U

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GASTON COUNTY BUDGET CHANGE REQUEST (BCR)

TO: Dr. Kim S. Eagle COUNTY MANAGER

FROM: 4720 Public Works
Dept. Code Department Name

Dan Ziehm, PE 8/18/2023
Department Director Date

REQUEST TYPE:

- | | |
|---|---|
| <input type="checkbox"/> Line-Item Transfer Within Department & Fund | <input type="checkbox"/> Line-Item Transfer Between Funds* |
| <input checked="" type="checkbox"/> Project Transfer Within Department & Fund | <input type="checkbox"/> Additional Appropriation of Funds* |
| <input type="checkbox"/> Line-Item Transfer Between Departments | * Requires resolution by the Board of Commissioners |

ACCOUNT DESCRIPTION	ACCOUNT NUMBER	AMOUNT**
As it appears in Munis	4 3 3 5 6 7 4 2 6 5 <small>Fund Dept Div SubDiv Prog SubProg Future Func Obj Proj</small> <small>xxxx xx xxx xxxxx xxxxxx xxxxxx xxxx xx xxxxxx xxxxx</small>	Whole dollars only
Ex. Employee Training	Ex. 1000-BGT-000-00000-000000-0000000-0000-01-520011-	Ex. \$5,000 Ex. (\$5,000)
Fiber Optic Lines	6000-SWS-380-00000-000000-0000000-0000-08-540006-20020	(\$492,716)
REC Generator	6000-SWS-381-00000-000000-0000000-0000-08-540002-18123	\$492,716

JUSTIFICATION FOR REQUEST:

This Budget Change Request transfers available funds from the Fiber Optic Lines project into the REC Generator account to cover costs associated with the replacement of an engine block at the Renewable Energy Center. These funds were previously approved for the fiber optic install to the landfill. IT has recently completed that upgrade in conjunction with Spectrum, and these funds will no longer be needed for that project. These funds will cover the replacement cost of the engine as well as freight, technician labor, install, commissioning and miscellaneous parts.

** Decreases in expenditures and increases in revenue accounts require brackets. Increases in expenditures and decreases in revenue do not require brackets. Please note that transfers between funds require inter-fund transfer accounts.

JENBACHER

INNIO

Thomas Jaud

Managing Director

INNIO Jenbacher North America LLC
8833 North Sam Houston Parkway W
Houston, TX 77064

T – 1-248-252-0298
E - thomas.jaud@innio.com

May 24, 2023

Subject: INNIO Jenbacher – Sole Source

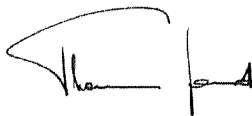
Dear Jenbacher Customer,

This letter is to confirm that Jenbacher gas engines and their related parts for service are sole source products, manufactured, sold, and distributed exclusively by INNIO Jenbacher North America LLC.

Manufacturer hereby confirms that INNIO Jenbacher North America LLC is currently the only approved source in the United States for the states of Alabama, Arkansas, Florida, Georgia, Kentucky Louisiana, Maryland, Mississippi, North Carolina, South Carolina Tennessee, Virginia, West Virginia, Texas, Oklahoma, Missouri, Kansas, Nebraska, South Dakota, North Dakota, Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Idaho, and Washington. As such they are authorized to sell new Jenbacher equipment, genuine Jenbacher repair and service parts, as well provide service, repair, and warranty work.

INNIO Jenbacher genuine repair and service parts are designed to improve productivity, increase engine performance, reduce operating costs, achieve high quality standards, ensure product safety, maintain compliance with stringent environmental restrictions. Each OEM component is lab and field validated to ensure engine performance is optimized. The risk of a breakdown can increase if non-OEM parts are used causing a drop in output power, shorten parts lifetime, lower efficiency, reduce reliability, increase emissions, reduce engine lifecycle, increase oil consumption, cause overheating, disable analytics functions, and cause damage to related parts. INNIO's warranty covers all OEM parts and subsequently the whole engine. Usage of OEM parts ensures insurance and liability coverage. If non-OEM repair and service parts are preferred, INNIO will not be responsible for the functioning of the engine or for potential damages, allowing INNIO to revoke all warranty, insurance, and liability coverage.

Regards,



Thomas Jaud

Managing Director