

# MEMO



**Item #: 5.h**

Meeting Date: September 20, 2024

To: Board of Directors  
From: Director of Operations, Jay Ramos  
Approved by: General Manager, Felipe Melchor

**Subject: Authorize General Manager to Purchase a Jenbacher 420 Engine Short Block**

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## RECOMMENDATION

That the Board of Directors 1) Authorize the General Manager to purchase one (1) Jenbacher 420 engine short block to replace Engine #4 's damaged block and 2) Accept the proposal (attached) by Energy Dynamics of Wiscasset, ME dated 8/13/2024, to provide One (1) Jenbacher 420 Short Block Engine for the total price of \$317,486.88 including sales tax. Freight costs will be determined when the order is placed.

## BACKGROUND AND DISCUSSION

ReGen Monterey operates a landfill gas fired power plant that produces up to five megawatts of electricity. Landfill gas is extracted from vertical and horizontal collection wells located in the landfill's waste mass and is used to generate renewable energy, which powers all of ReGen's operations and also allows ReGen to sell excess electricity to the utility grid. ReGen's power plant features four generators, each driven by a landfill gas fired engine.

Recently Engine #4, an Austrian made Jenbacher 420 engine with a 1.4MW rating, experienced a mechanical failure of a connecting rod bearing which caused damage to the engine's crankshaft and lesser parts. Due to the number of operating hours that this engine has incurred, the recommendation is to replace the main core portion of the engine, commonly referred to as the "short block". The Finance Committee recommended that this purchase be presented to the Board for their consideration of approval for the capital repair of Engine #4 (7.5-year life extension rating).

## FISCAL IMPACT

Funds totaling \$330,000 will be allocated from the Board approved Capital Outlay portion of the FY2024/25 budget for this purchase.

## CONCLUSION

1) Authorize the General Manager to purchase One (1) Jenbacher engine short block for Unit #4. 2) Accept the proposal (attached) by Energy Dynamics of Wiscasset, ME dated 8/13/2024, to provide One (1) Jenbacher Short Block Engine for the total price of \$317,486.88 including sales tax. Freight costs will be determined when the order is placed.

## ATTACHMENTS:

- 1) Energy Dynamics of Wiscasset, ME proposal dated 8/13/2024.

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*Let's not waste this.*