

COUNCIL ACTION FORM

SUBJECT: REPLACEMENT CONVEYOR BELTS FOR POWER PLANT

BACKGROUND:

This bid is for the purchase of three conveyor belts and installation of one of them at the City's Power Plant. These conveyor belts are used for moving coal from the coal yard to the plant bunkers. The manufacturer specified for these belts was Goodyear, since testing showed that the Goodyear belts were not affected by the dust suppression foam used at the plant. In contrast, other brands cupped when using the foam.

On February 11, 2013, a request for quotation (RFQ) document was issued to nine potential bidders. The RFQ was also advertised on the Current Bid Opportunities section of the Purchasing webpage, and was sent to two plan rooms.

On February 19, 2013, four bids were received as shown below:

BIDDER	BID PRICE
Kaman Industrial Technologies, Grimes IA	\$64,938.82
Applied Industrial Technologies Des Moines, IA	Non-Responsive
Automatic Systems, Inc. Kansas City, MO	Non-Responsive
Bi-State Rubber Fenton, MO	Non-Responsive

Staff determined that the bids received by Applied Industrial Technologies, Automatic System, Inc., and Bi-State Rubber were all non-responsive. Applied Industrial Technologies and Automatic Systems bids were non-responsive because they qualified their installation bids. Applied Industrial Technologies' bid stated that "*belt install is estimate only based on site and application info provided &/or best case scenarios. Delays which occur at the job site not attributed to AIT filed service personnel will be recorded and charges according to the prevailing labor rates. Charges are in addition to estimate.*" Automatic System, Inc.'s bid stated that "*in the event there is a delay on having access to the conveyor or any other delay caused by the plant. Delay time will be added to the invoice at T & M rates*". Bi-State Rubber's bid was non-responsive because they did not bid on Goodyear manufactured belts and did not bid on installation.

Staff concluded that the bid in the amount of \$64,938.82 submitted by Kaman Industrial Technologies of Grimes, Iowa is acceptable.

The approved FY 2012/13 operating budget contains \$65,000 in the Ash Hauling account that will be transferred to the Fuel Handling Equipment account which will be used for the purchase of these conveyor belts.

ALTERNATIVES:

1. Award a contract to Kaman Industrial Technologies of Grimes, Iowa for the replacement conveyor belts for the Power Plant in the amount of \$64,938.82.
2. Reject the quotes and delay the replacement of the conveyor belts.

MANAGER'S RECOMMENDED ACTION:

Purchase of these belts ensures continued efficient operation of the Power Plant and coal yard. Having one of these belts go off-line could increase the risk of not being able to supply coal to the units. As a result, the Plant would have to shut down until the conveyor belts are purchased and installed.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.