

COUNCIL ACTION FORM

SUBJECT: **MOTOR REPAIR CONTRACT FOR POWER PLANT**

BACKGROUND:

Electric Services' two coal-fired, high-pressure steam turbine electric generating units located at the Power Plant. These units are referred to as Units No. 7 and 8. These units require regular professional maintenance and repair. This consists of regularly planned repairs and services during scheduled outages, as well as emergency service. The repair of these generating units requires professional trade crafts such as boilermakers, electricians/control technicians, steam/pipe fitters, and millwrights, to list a few. The units operate under environmental conditions with high heat and high pressure.

Due to these operational conditions, numerous motors are necessary to safely and reliably operate the Power Plant. All of this equipment must be professionally maintained, serviced, adjusted, repaired, and rebuilt. Rather than bid and get prices for this work multiple times per year with the inconsistency of work and quality as different vendors participate, this work is outsourced on an annual renewable contract basis.

This contract is to provide motor maintenance services for the period from award date through June 30, 2014. The contract includes a provision that would allow the City to renew the contract for up to four additional one-year terms. On November 12, 2013, City Council approved preliminary plans and specifications for this work.

Bid documents were issued to six potential bidders. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage, and a Legal Notice was published in the Ames Tribune. The bid was also sent to one plan room.

On December 18, 2013, one bid with hourly rates were received as shown on the attached report.

Staff reviewed the bid submitted by Electrical Engineering and Equipment Co., Windsor Heights, IA, and determined that it was non-responsive because they did not include a proposed price increase percentage for renewal periods with their bid. Since this is a renewable contract, the percentages are a mandatory requirement because they provide a cap on any cost increases for each renewal year.

Since the only bid received was non-responsive, staff recommends rebidding.

Council should note that, on this rebid, the contract period will be changed to award date to December 31, 2014 (calendar term) in lieu of a fiscal year term. It will still include the provision that would allow the City to renew the contract for up to four additional one-year terms.

ALTERNATIVES:

1. a. Reject the bid received and direct staff to rebid this contract.

b. Approve the preliminary plans and specifications for the reissuance of the Motor Repair Contract for Power Plant and set February 12, 2014, as the bid due date and February 25, 2014, as the date of hearing and award of contract.
2. Award the Motor Repair Contract for Power Plant to Electrical Engineering and Equipment Co., Windsor Heights, IA, for hourly rates and unit prices bid, in an amount not-to-exceed \$94,000. **This contract will only be valid from award date thru June 30, 2014. It will then need to be bid for the next contract term.**
3. Reject the bid received, do not rebid, and direct staff to purchase motor repair services on an as-needed basis.

MANAGER'S RECOMMENDED ACTION:

This contract is desirable in order to properly maintain motors at the Power Plant and to carry out emergency and scheduled repairs resulting from equipment failures. The lone bid received, however, has been determined to be non-responsive.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above, thereby rejecting the bid received and initiating rebidding of this contract.



**IFB 2014-038 Motor Repair Contract
for Power Plant Bid Summary**

**Electrical Engineering and Equipment Co.
Windsor Heights, IA**

IN SHOP S.T.	\$66.30
IN SHOP O.T.	\$99.45
IN SHOP D.T	\$132.60
INSHOP SOLID STATE REPAIR	\$80.75
IN SHOP BALANCING, first hour	\$110.50
IN SHOP PRESSWORK	\$80.75
OUTSIDE S.T.	\$80.75
OUTSIDE O.T.	\$121.13
OUTSIDE D.T.	\$161.50
ON SITE SOLID STATE REPAIR, TROUBLE SHOOTING, PM'S	\$80.75
OT	\$121.13
DT	\$161.50
ON SITE VIBRATION ANALYSIS AND BALANCING	\$80.75
OT	\$121.13
DT	\$161.50
Mileage	\$0.94