ITEM # <u>40</u> DATE: 07-22-14

COUNCIL ACTION FORM

SUBJECT: POWER PLANT UNIT #7 CRANE REPAIR

BACKGROUND:

On June 10, 2014, City Council approved preliminary plans and specifications for the Power Plant Unit #7 Crane Repair project. This project is for materials, equipment, and labor necessary for the installation of equipment to renovate the Unit #7 crane.

Bid documents were issued to ten potential bidders. The bid was also 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. **The bid due date was April 22, 2014, and the City did not receive any bids.**

Staff is in the process of trying to determine why no bids were received. Staff's discussion with some of the likely bidders indicated that some of the technical specifications could have been clearer. Based on this information, the technical specifications will be reviewed along with discussions with the design engineer and plan holders to determine the reason no bids were submitted. This project will be rebid at a later date and will likely include changes to the specifications.

ALTERNATIVES:

- 1. a. Accept the report of no bids.
 - b. Direct staff to rebid the project.

MANAGER'S RECOMMENDED ACTION:

This crane is a critical piece of plant equipment used to complete major work on the Unit #7 turbine/generators. Therefore, the project will need to be rebid after discussions have been held with the design engineer to determine a future course of action. Until that time, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting the report of no bids for this project.