

COUNCIL ACTION FORM

SUBJECT: POWER PLANT VALVE MAINTENANCE SERVICES CONTRACT

BACKGROUND:

On March 24, 2015, City Council approved preliminary plans and specifications for the Valve Maintenance, Related Services and Supplies Contract for Power Plant. The Electric Utility's two coal-fired, high-pressure steam generation units in the City's Power Plant are referred to as Units No. 7 and 8. These units require regular professional maintenance and repair. This consists of emergency service, as well as regularly scheduled planned repairs and services during scheduled outages. Services include a large variety of boiler and pressure vessel maintenance and repairs, structural steel, pump and piping work, coal handling system, coal pulverizer work, and other miscellaneous mechanical Power Plant work.

Due to these operational conditions, numerous valves are used to operate the Power Plant. These include isolation, control, check, relief and safety valves, which must be professionally repaired, tested, installed, replaced and maintained. Specially trained personnel perform this work.

This contract is to provide valve maintenance services for the period from July 1, 2015 through June 30, 2016. The contract includes a provision that would allow the City to renew the contract for up to four additional one-year terms.

Bid documents were issued to nineteen companies. 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 April 21, 2015, three bids were received as shown on the attached report.

Electric Services staff has determined that additional time is needed to evaluate each of the remaining bids to determine which one can perform the Valve Maintenance Services contract at the lowest overall price.

The approved FY 2015/16 Power Plant operating budget includes \$70,000 for this contract. Invoices will be based on contract rates for time and materials for services actually received.

ALTERNATIVES:


1. Accept report of bids and delay award for the Valve Maintenance, Related Services and Supplies Contract for Power Plant.

2. Award a contract to the apparent low bid.
3. Reject all bids and direct staff to rebid.

MANAGER'S RECOMMENDED ACTION:

This work is necessary to ensure that a qualified professional firm will respond to both scheduled and emergency needs for valve maintenance, and will also control costs by having established billing rates. **By choosing alternative No. 1, staff will have enough time to evaluate each bid and recommend an award that best meets the needs of the City of Ames.**

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.

	2015-154 VALVE MAINTENANCE, RELATED SERVICES AND SUPPLIES CONTRACT FOR POWER PLANT BID SUMMARY											
	Pioneer Industrial Corporation Kansas City, MO			Dowco Valve Co, Inc Hastings MN			Furmanite America, Inc Houston, TX			Allied Valve, Inc Cannon Falls, MN		
LABOR AND RELATED COSTS	HOURLY RATES			HOURLY RATES			HOURLY RATES			HOURLY RATES		
DESCRIPTION	STRAIGHT TIME	OVERTIME	DOUBLE TIME	STRAIGHT TIME	OVERTIME	DOUBLE TIME	STRAIGHT TIME	OVERTIME	DOUBLE TIME	STRAIGHT TIME	OVERTIME	DOUBLE TIME
Foreman	\$52.00	\$78.00	\$104.00	\$68.50	\$96.00	\$116.50	\$73.00	\$95.00	\$117.00	Non-responsive. Did not supply bid bond with bid.		
Journeyman	\$43.75	\$66.00	\$88.00	\$68.50	\$96.00	\$116.50						
Valve Technician	\$43.75	\$66.00	\$88.00	\$65.00	\$91.00	\$111.00	\$66.00	\$86.00	\$106.00			
Instrument Technician Actuators				\$105.00	\$158.00	\$179.00						
Coker Valve Specialist							\$80.00	\$104.00	\$128.00			
Actuator Specialist							\$77.00	\$101.00	\$124.00			
TRAVEL & SUBSISTENCE												
DESCRIPTION	RATE			RATE			RATE					
Subsistence:				\$50.00 Meals + \$125.00 Motel Estimates								
Foreman	\$110.00 per day			\$175.00 per day								
Journeyman	\$110.00 per day			\$175.00 per day								
Valve Technician	\$110.00 per day			\$175.00 per day								
Travel and Mileage:				Monday - Friday Non OT								
Foreman travel	\$52.00 per			\$68.50 per hr								
Foreman mileage	\$.72 per			\$1.05 per mile								
Journeyman travel	\$43.75 per			\$68.50 per hr								
Journeyman mileage	\$.72 per			\$1.05 per mile								
Valve Technician travel	\$43.75 per			\$65.00 per hr								
Valve Technician mileage	\$.72 per			\$1.05 per mile								
Deliveries:												
Travel	\$43.75 per			\$65.00 per hr								
Mileage	\$.72 per			\$1.05 per mile								
Service Vehicle							\$75.00	Shift				
Service Vehicle Mileage							\$1.50	Mile				
48' Relief Valve Repair & Machining Trailer							\$2.75	Mile				
Two-Way Radios							\$15.00	Shift				
Life Support/HAZMAT							\$6.00	Hour				
Approach Suits							\$25.00	Hour				
Compressor Usage							\$85.00	Shift				
Per Diem (per employee)							\$55.00	Day				
Overnight Accommodations							Cost + 15%					
Airfare							Cost + 15%					
Rental Vehicle Charges							Cost + 15%					
3rd Party Equipment other than that specified herein as a service line item							Cost + 15%					
Any Specialized Services or Engineered Solutions not included herein							Priced per Scope					
EQUIPMENT												
DESCRIPTION	PER DAY	PER WEEK		PER DAY	PER WEEK							
Mobile shop trailer	N/A	\$2,500.00		\$350.00	\$1,835.00							
Packing extractor	\$200.00	\$1,400.00		\$200.00	\$1,050.00							
Truck	\$78.00	\$546.00		\$50.00	\$265.00							
Hydro set testing device	\$150.00	\$1,050.00		\$300.00	\$1,575.00							
Electronic valve tester	\$275.00	\$1,925.00		\$350.00	\$1,835.00							
Gate valve machine	\$250.00	\$1,750.00										
Reseating machine	\$325.00	\$2,275.00		\$475.00	\$2,490.00							
Valve bore honing tool	\$220.00	\$1,540.00		\$475.00	\$2,490.00							
Gate valve machine (1 1/2" to 14" valve size)	\$175.00	\$1,225.00		\$350.00	\$1,835.00							
Gate valve machine (8" to 30 valve size)	\$250.00	\$1,750.00		\$475.00	\$2,490.00							
				\$250.00	\$1,300.00							
				\$475.00	\$2,490.00							
Pneumatic Grease Gun							\$100.00	Shift				
Valve Grinding Machine							\$150.00	Shift				
Valve Lapping Machine							\$55.00	Shift				
Gang Box with Hand Tools							\$60.00	Shift				
Porta Power Ram							\$50.00	Shift				
Valve Reseat Machine							\$350.00	Shift				
Measuring Tol (set)							\$50.00	Shift				
Laps							\$60.00	Shift				
Hydro Valve Packing Extractor							\$275.00	Shift				
48' Relief Valve Repair & Machining Trailer							\$850.00	Shift				
Mob. Of 48' Relief Valve & Mach. Trailer							Priced per Scope					
Bead Blaster only							\$160.00	Day				
Small Relief Valve Testing Trailer							\$150.00	Day				
MATERIAL COSTS												
	Cost plus 20%			Cost plus 20%			Cost plus 15%					
OTHER RATES												
DESCRIPTION	RATE			RATE			RATE		UOM			
Shop truck mileage	\$0.72			\$1.05 / mile								
Mobile shop trailer mileage	\$2.00			\$1.05 / mile								
Safety Equipment				\$115.00 / day per man								
Consumables				5% of labor hours x st hourly rate								
HHS Steel Tool Bits for Flange Facing							\$45.00	Each				
Indexable Carbide Inserts							\$55.00	Each				
Specialty Tool Bits and other sizes above 1/2							Cost + 15%					
Standard Packing							\$32.00	Inlet Inch				
Standard Packing							Priced per Scope					
New Valves and Valve Parts							Priced per Scope					
PRICE INCREASE ESCALATORS FOR ANNUAL RENEWAL TERMS												
Labor Rates:	3% per year			3% per year			3% per year					
Travel & Subsistence:	3% per year			2% per year			3% per year					
Equipment & Tools:	3% per year			1% per year			3% per year					