

COUNCIL ACTION FORM

SUBJECT: ELECTRICAL MAINTENANCE SERVICES CONTRACT FOR POWER PLANT

BACKGROUND:

On April 10, 2018, City Council approved preliminary plans and specifications for the Power Plant's Electrical Maintenance Services Contract. This contract consists of regular professional maintenance and repair to numerous circuit breakers, relays, and electrical circuits located Plant-wide. This contract consists of emergency service, as well as regularly planned repairs and services during scheduled outages.

This contract is to provide electrical maintenance services for the period from July 1, 2018 through June 30, 2019. 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 eighteen companies and three plan rooms. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published on the websites of a contractor plan room service with statewide circulation and the Iowa League of Cities.

On May 9, 2018, bids were received from three companies as shown on the attached report.

Staff reviewed the bids and concluded, based on the time and material rates submitted that the apparent low bidder Tri-City Electric Company of Iowa, Davenport, IA, is acceptable.

The benefits of having a contract for these services in place include the following:

- 1) Consistency of work and quality from a single contractor.
- 2) Reduction in the City's exposure to market forces regarding prices and availability for labor, travel, and supplies in preparation for a scheduled outage.
- 3) Rapid contractor mobilization to start emergency repairs, thus reducing generation downtime.
- 4) Saved City staff time obtaining quotes, evaluating bids, and preparing specifications and other procurement documentation.

The approved FY 2018/19 operating budget for Electric Production includes \$135,000

for relay and breaker maintenance. Invoices will be based on contract rates for time and materials for services actually received.

ALTERNATIVES:

1. Award a contract for the Electrical Maintenance Services Contract for Power Plant to Tri-City Electric Company of Iowa, Davenport, IA, for hourly rates and unit prices bid, in an amount not-to-exceed \$135,000. The contract includes a provision that would allow the City to renew the contract for up to four additional one-year terms at stated rates.
2. Award a contract to one of the other bidders.
3. Reject all bids and purchase electrical maintenance services on an as-needed basis.

MANAGER'S RECOMMENDED ACTION:

This work is necessary to properly maintain relays, circuit breakers and electrical circuits and to carry out emergency and scheduled repairs resulting from equipment failures. This contract would establish rates for service and provide for guaranteed availability, thereby setting in place known rates for service and controlling the Plant's costs. Funds will be expended only as work is required and in accordance with approved invoices.

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



ITB 2018-143 Electrical Maintenance Services for Power Plant Bid Summary

DESCRIPTION	Tri-City Electric Company of Iowa, Davenport, IA			Midwest Engineering Consultants, LTD, Moline, IL			Electric Power Systems Kansas City, MO		
	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)	Hourly Rate	Hourly Rate	Hourly Rate
Supervisor	\$83.30	\$112.75	\$145.00				\$135.00	\$175.00	\$175.00
Apprentice	\$33.95	\$44.20	\$55.30						
Foreman	\$79.00	\$108.50	\$140.00						
NETA Technician Level III				\$138.00	\$207.00	\$276.00			
Journeyman	\$76.00	\$104.25	\$135.00	\$100.00	\$150.00	\$200.00	\$135.00	\$175.00	\$175.00
Technician	\$90.00	\$115.00	\$150.00	\$114.00	\$171.00	\$228.00	\$135.00	\$175.00	\$175.00
Technician Level II	\$95.00	\$120.00	\$155.00						
Technician Level III	\$100.00	\$125.00	\$160.00						
Elect. Field Eng	\$125.00	\$150.00	\$180.00	\$165.00	\$248.00	\$330.00			
Principal (PE)				\$185.00	\$278.00	\$370.00			
Subsistence:	\$159.00 per day			\$180.00 per day			\$185.00 per day		
Travel:	\$65.00 per hour			Applicable Hourly Rate			\$135.00 per hour		
Mileage:	\$.50 per mile			\$.69 per mile			\$.55 per mile		
Material Costs:	Cost Plus 10%			Cost Plus 10 %			Cost Plus 15%		
Misc. Tools and Equipment Rates									
Generator (100 KW)							\$1,000/day + fuel		
All Terrain JLG							\$2,250 / day		
Proposed Price Increase for Renewal Periods:									
Labor Rates:	3% per year			2% per year			4% per year		
Travel & Subsistence:	3% per year			2% per year			4% per year		