

**COUNCIL ACTION FORM**

**SUBJECT:     POWER PLANT MOTOR REPAIR CONTRACT**

**BACKGROUND:**

On April 10, 2018, City Council approved preliminary plans and specifications for the Motor Repair Contract for the City's Power Plant. The City's Power Plant has two natural gas-fired, high-pressure steam turbine electric generating units which 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 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 nine companies and four 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 10, 2018, two bids with were received as shown on the attached report.** Electric Services staff needs additional time to evaluate the bids to determine which one will provide these services at the lowest overall price.

**ALTERNATIVES:**

1. Accept the report of bids and delay award for the FY2018/19 Motor Repair Contract.
2. Award a contract to the apparent low bid.
3. Reject all bids and direct staff to rebid.

**MANAGER'S RECOMMENDED ACTION:**

This contract is necessary to properly maintain motors and to carry out emergency and scheduled repairs resulting from equipment failures. This contract should achieve a consistent, high quality diagnosis, repair and/or overhaul of a motor, and to return it to good operating condition with a minimum of delay and cost.

By choosing alternative No. 1, staff will have enough time to evaluate each bid to ensure the City receives these services at the best price. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.



## 2018-144 Motor Repair Contract for Power Plant Bid Summary

Electrical Engineering and Equipment Co. Windsor Heights, IA		Hupp Electric Motors Marion, IA	
IN SHOP S.T.	\$74.25	SUPERVISOR (ST)	\$75.00
IN SHOP O.T.	\$111.60	SUPERVISOR (OT)	\$112.50
IN SHOP D.T	\$148.50	SUPERVISOR (DT)	\$150.00
INSHOP SOLID STATE REPAIR	\$93.50	FOREMAN (ST)	\$75.00
IN SHOP BALANCING, first hour	\$128.70	FOREMAN (OT)	\$112.50
IN SHOP PRESSWORK	\$93.50	FOREMAN (DT)	\$150.00
OUTSIDE S.T.	\$93.50	TECHNICIAN (ST)	\$75.00
OUTSIDE O.T.	\$146.63	TECHNICIAN (OT)	\$112.50
OUTSIDE D.T.	\$195.50	TECHNICIAN (DT)	\$150.00
ON SITE SOLID STATE REPAIR, TROUBLE SHOOTING, PM'S	\$93.50		
OT	\$146.63		
DT	\$195.50		
ON SITE VIBRATION ANALYSIS AND BALANCING	\$93.50	<b>TRAVEL &amp; SUBSISTENCE</b>	
OT	\$146.63	SUPERVISOR	\$55.00 per day
DT	\$195.50	CRAFT	\$55.00 per day
Mileage	\$0.98 / mile		
CRAFT TRAVEL	\$91.59	SUPERVISOR TRAVEL	\$50.00 per hour
MATERIAL COSTS:	Cost Plus 20%	MATERIAL COSTS:	Cost Plus 15%
<b>Proposed Price Increase for Renewal Periods:</b>			
Labor Rates:	1.5% per year	Labor Rates:	1% per year
Travel & Subsistence:	1% per year	Travel & Subsistence:	1% per year
<b>* All labor rates listed above are per hour</b>			