

**COUNCIL ACTION FORM**

**SUBJECT:**     **ELECTRICAL MAINTENANCE SERVICES CONTRACT FOR POWER PLANT– CHANGE ORDER NO. 1**

**BACKGROUND:**

The approved FY 2018/19 operating budget for Electric Production includes \$135,000 for relay and breaker maintenance. On May 22, 2018, the City Council awarded a contract to Tri-City Electric Company of Iowa, Davenport, IA, for the Electrical Maintenance Services Contract for Power Plant for the one-year period from July 1, 2018, through June 30, 2019 in the amount not to exceed \$135,000. This contract consists of regular professional maintenance and repair to numerous circuit breakers, relays, and electrical circuits located Plant-wide. In addition to regularly planned repairs and services during scheduled outages, this contract also covers emergency services.

**The action being requested is to approve Change Order No. 1 to the Electrical Maintenance Services Contract.** This change order will add an additional \$60,000 to the current contract for FY 2018/19, bringing the total contract amount to \$195,000.

This Change Order is needed to increase the amount of funds in the current fiscal year contract. As a result of recent inspections and breaker maintenance, the Power Plant is going to perform additional cleaning in electrical cabinets and continue additional breaker maintenance. Tri City will also be used to install additional communication wire to the new Continuous Monitoring System being installed this Fall. The Council should understand the additional funds authorized in this change order will not be spent unless needed. Invoices will be based on contract rates for time and materials for services actually received.

The funding for Change Order No. 1 will come from the Unit 7 Auxiliary Equipment account. There is approximately \$105,000 in funding available in this account. Maintenance projects funded from this account, including pump repairs and relay replacements, will be delayed to next year.

**ALTERNATIVES:**

1. Approve contract Change Order No. 1 with Tri-City Electric Company of Iowa, Davenport, IA for the Electrical Maintenance Services Contract for Power Plant in the not-to-exceed amount of \$60,000. This will bring the total FY 2018/19 contract value to a not-to-exceed amount of \$195,000.
2. Do not approve the change order.

**MANAGER'S RECOMMENDED ACTION:**

This work is necessary to properly maintain relays, circuit breakers and electrical circuits and install necessary communication cable. 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.