

COUNCIL ACTION FORM

**SUBJECT: POWER PLANT BOILER MAINTENANCE SERVICES CONTRACT
REPORT OF BIDS**

BACKGROUND:

On April 23, 2019, City Council approved preliminary plans and specifications for the Power Plant Boiler Maintenance Services Contract. This contract consists of a variety of boiler and pressure vessel maintenance, including structural steel and pressure vessel repair. The contractor provides emergency service, as well as regularly planned repairs and services during scheduled outages.

The repair of the equipment on these generation units requires professional trade crafts such as boilermakers, laborers, and millwrights. Both of the Power Plant's boilers (Unit 7 and Unit 8) have experienced excessive corrosion in the superheater sections. The corrosion has caused the tubes to thin, resulting in many forced outages.

The FY 2018/2019 contractor struggled to provide needed manpower for short-term repairs and maintenance work under the current contract. This situation was reported to Council on April 16, 2019, and an emergency change order authorization to hire an alternative vendor to perform repairs was approved. The use of that alternative contractor has been required until new bids could be obtained and a contract in place.

Next fiscal year, large repair projects are planned for both boilers, installing coated tubes that will be able to withstand the corrosion. Until these repairs are complete, it is of critical importance to have a contract in place that allows for a qualified contractor to be ready to respond to emergency outages.

This bid is for these repair and maintenance services from approval of contract through the end of FY 2019/20. The bid documents include the option of up to four one-year renewals. Any renewal would require approval by City Council.

Bidding documents were provided to ten potential bidders and five plan rooms. An additional 26 contractors were directly notified of the bid opportunity. 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 21, 2019, three bids were received as shown on the attached bid report. The specifications and bids are complex, and staff feels that additional time is needed to evaluate each bid in order to recommend an award that best meets the City's needs.

Invoices will be based on contract rates for time and materials for services actually received and accepted by the City. The FY 2019/20 budget includes \$250,000 for these services. The bidding documents call for a contract to be awarded in an amount not to exceed that amount.

ALTERNATIVES:

1. Accept the report of bids and delay award until power plant staff is able to perform a thorough review and determine a recommended company to award the contract to.
2. Award the contract to apparent low bidder.
3. Reject all bids and send out another request for bid

CITY MANAGER'S RECOMMENDED ACTION:

Staff needs additional time to fully evaluate the bids before recommending action by the City Council. 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.

Attachment 1

BID NO. 2019-123: BOILER MAINTENANCE SERVICES BID SUMMARY

BID ITEM		Capital City Boiler & Machine Works, Inc. Des Moines, IA			Plibrico Company, LLC Omaha, NE			The Jamar Company Duluth, NN 55807		
		Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)
LABOR: BOILERMAKER										
Day Shift	Journeyman	\$ 70.00	\$ 105.00	\$ 135.00	\$ 87.07	\$ 129.78	\$ 185.77	\$ 96.89	\$ 113.11	\$ 179.36
	Foreman	\$ 75.00	\$ 107.50	\$ 137.50	\$ 91.27	\$ 135.94	\$ 193.90	\$ 101.58	\$ 144.78	\$ 187.99
	General Foreman	\$ 76.00	\$ 108.50	\$ 138.50	\$ 94.05	\$ 140.03	\$ 199.29	\$ 104.72	\$ 149.23	\$ 193.75
	Superintendent	\$ 77.00	\$ 109.50	\$ 139.50	\$ 101.07	\$ 150.33	\$ 212.87	\$ 111.00	\$ 158.12	\$ 205.25
Night Shift	Journeyman	\$ 71.00	\$ 105.00	\$ 136.00	\$ 87.42	\$ 130.15	\$ 186.16	\$ 100.02	\$ 142.55	\$ 185.11
	Foreman	\$ 76.00	\$ 107.50	\$ 138.50	\$ 91.62	\$ 136.31	\$ 194.29	\$ 104.72	\$ 149.23	\$ 193.75
	General Foreman	\$ 77.00	\$ 108.50	\$ 139.50	\$ 94.42	\$ 140.42	\$ 199.71	\$ 107.86	\$ 153.68	\$ 199.49
	Superintendent	\$ 78.00	\$ 109.50	\$ 140.50	\$ 101.42	\$ 150.70	\$ 213.26	\$ 114.13	\$ 162.56	\$ 211.01
LABOR: LABORER										
Day Shift	Journeyman	\$ 65.00	\$ 90.00	\$ 110.00	See breakout of laborers below			\$ 58.76	\$ 77.49	\$ 96.20
	Foreman	\$ 65.00	\$ 92.50	\$ 112.50				\$ 60.32	\$ 79.70	\$ 99.07
	General Foreman	\$ 70.00	\$ 105.00	\$ 135.00				n/a	n/a	n/a
	Superintendent	\$ 75.00	\$ 107.50	\$ 137.50				n/a	n/a	n/a
Night Shift	Journeyman	\$ 65.00	\$ 91.00	\$ 111.00				\$ 61.87	\$ 81.91	\$ 101.94
	Foreman	\$ 66.00	\$ 93.00	\$ 123.00				\$ 63.42	\$ 84.10	\$ 104.79
	General Foreman	\$ 71.00	\$ 106.00	\$ 136.00				n/a	n/a	n/a
	Superintendent	\$ 76.00	\$ 108.50	\$ 138.50				n/a	n/a	n/a
LABOR: MILLWRIGHT										
Day Shift	Journeyman	\$ 70.00	\$ 105.00	\$ 135.00	\$ 63.48	\$ 83.30	\$ 103.12	n/a	n/a	n/a
	Foreman	\$ 75.00	\$ 107.50	\$ 137.50	\$ 64.91	\$ 85.38	\$ 105.86	n/a	n/a	n/a

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LABOR: MILLWRIGHT										
Day Shift	General Foreman	\$ 76.00	\$ 108.50	\$ 138.50	\$ 67.77	\$ 89.55	\$ 111.34	n/a	n/a	n/a
	Superintendent	\$ 77.00	\$ 109.50	\$ 139.50	\$ 69.20	\$ 91.64	\$ 114.08	n/a	n/a	n/a
Night Shift	Journeyman	\$ 71.00	\$ 105.00	\$ 136.00	\$ 63.48	\$ 83.30	\$ 103.12	n/a	n/a	n/a
	Foreman	\$ 76.00	\$ 107.50	\$ 138.50	\$ 64.91	\$ 85.38	\$ 105.86	n/a	n/a	n/a
	General Foreman	\$ 77.00	\$ 108.50	\$ 139.50	\$ 67.77	\$ 89.55	\$ 111.34	n/a	n/a	n/a
	Superintendent	\$ 78.00	\$ 109.50	\$ 140.50	\$ 69.20	\$ 91.64	\$ 114.08	n/a	n/a	n/a
LABOR: STEAMFITTER										
Day Shift	Journeyman	\$ 70.00	\$ 105.00	\$ 135.00	\$ 74.49	\$ 105.91	\$ 137.30	n/a	n/a	n/a
	Foreman	\$ 75.00	\$ 107.50	\$ 137.50	\$ 82.50	\$ 117.61	\$ 152.70	n/a	n/a	n/a
	General Foreman	\$ 76.00	\$ 108.50	\$ 138.50	\$ 85.17	\$ 121.51	\$ 157.83	n/a	n/a	n/a
	Superintendent	\$ 77.00	\$ 109.50	\$ 139.50				n/a	n/a	n/a
Night Shift	Journeyman	\$ 71.00	\$ 105.00	\$ 136.00	\$ 82.49	\$ 117.59	\$ 152.67	n/a	n/a	n/a
	Foreman	\$ 76.00	\$ 107.50	\$ 138.50	\$ 91.70	\$ 131.06	\$ 170.39	n/a	n/a	n/a
	General Foreman	\$ 77.00	\$ 108.50	\$ 139.50	\$ 94.78	\$ 135.56	\$ 176.32	n/a	n/a	n/a
	Superintendent	\$ 78.00	\$ 109.50	\$ 140.50	not shown	not shown	not shown	n/a	n/a	n/a
Labor in Addition to Items on Bid Form:										
Labor Bricklayers/Refractory Masons										
Day/ Night Shift	Journeyman				\$ 62.02	\$ 81.29	\$ 100.55			
	Foreman + 2 men				\$ 66.37	\$ 87.60	\$ 108.83			
	Foreman + 3 men				\$ 67.10	\$ 88.65	\$ 110.21			
	General Foreman				\$ 81.60	\$ 109.70	\$ 137.81			
Labor Bricklayers/Refractory Masons										
Day/ Night Shift	Journeyman				\$ 44.51	\$ 59.11	\$ 73.71			
	Foreman				\$ 45.96	\$ 61.22	\$ 76.47			
	General Foreman				\$ 46.69	\$ 62.27	\$ 77.85			

BID ITEM	Capital City Boiler & Machine Works, Inc. Des Moines, IA	Plibrico Company, LLC Omaha, NE	The Jamar Company Duluth, NN 55807
TRAVEL & SUBSISTENCE			
Description	Rate	Rate	Rate
Subsistence:			
Supervisors	\$85.00 per day	\$125 per day	\$125.00 per day
Craft	\$85.00 per day	\$75 per day	\$125.00 per day
Description	Rate	Rate	Rate
Travel & Mileage:			
Supervisor travel	\$77.00 per	per Journeyman straight time rate	\$111.00 per straight time hour
Supervisor mileage	\$1.00 per	\$.75 per mile	n/a
Craft travel	\$65.00	only if applicable at craft; journeyman rate	\$96.89 per straight time hour
Craft mileage		Boilermakers do not receive travel or mileage unless they are hauling tools or equipment to be used for maintenance contract services. All other crafts, if local (within 50 miles) do not receive travel or mileage. No craft receives mileage unless requested to haul tools or equipment in their person vehicle to be used for maintenace contract services.	n/a
Description	Rate	Rate	Rate
Deliveries:			
Travel	\$65.00 per	Laborer journeyman rate	Cost plus 10%
Mileage	\$1.00 per	\$1.00 per mile	n/a

BID ITEM Description	Capital City Boiler & Machine Works, Inc. Des Moines, IA	Plibrico Company, LLC Omaha, NE	The Jamar Company Duluth, NN 55807
	Rate	Rate	Rate
MISC.			
Safety supplies & equipment	Cost plus 5%	Equipment rented Cost plus 10%	n/a included in rates
Miscellaneous materials & consumables	Cost plus 12%	Cost plus 10%; materials in stock at warehouse prices	Cost plus 5%. Small tools and consumables included in rates.
Equipment & Tools	Bid Form shows equipment and tools	Tools and equipment lists submitted including tools & equipment list no charge to COA	Equipment billed in accordance with Jamar's Equipment Rental Program dated 06/01/18, D level
Safety Equipment	Bid Form shows safety equipment	Bid Form shows safety equipment	Safety equipment billed in accordance with Jamar's Equipment Rental Program dated 06/01/18, D level
PROPOSED PRICE INCREASES FOR RENEWAL PERIODS			
Labor	Factor: Labor effective year	Boilermaker contract 01/01/2020 All other crafts 06/01/2020	Boilermaker rates 01/01/19 to 12/31/19; Laborer rates 12/01/18 to 11/30/19
Travel & Subsistence	5% per year	0% per year	0% per year
Equipment & Tools	nothing shown	0% per year	0% per year
OTHER			
Location & response time	Des Moines; on call 24 hrs; on job 4-6 hrs.	Office in Omaha. NDE subcontractor if required. Emergency response 2-3 hours. Non-emergency response time is 4-6 hours	Process and response shown on BidForm
Proposed Subcontractors & scope of work	Form submitted, but subcontractor information not shown	DBI, Inc. NDE subcontractor if required; Crane Rental and Rigging if required; cornerstone Insulation and Lagging if required; Hartford Steam Boiler, Authorized Inspector if required	Gagnon - Insulation/Scaffold Service; Platinum - Scaffold Service

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RESPONSIVENESS:			
Bid Signed	Yes	yes	yes
Bid Security	5% bid bond	5% bid bond	5% bid bond
Proposed Subcontractors/Suppliers list	Form submitted	Form submitted	yes; both completed & signed by proposed subcontractor
Bidder Certification Regarding Sales Tax	yes	yes	yes
Bidder Status Form	no	yes	yes
Qualifications	see letter	references	Statement of Qualifications submitted; also letters of recommendation
References	COA	yes	yes
Response time	shown on bid form	shown on bid form	shown on Bid Form
Material rate sheet	Equipment & tools list on Bid Form	tool rental sheet	Staff rate sheet shows trucks & drivers; salaried personnel; custom fabrication rate
Exceptions	none shown	none shown	none shown