

ITEM #: 16
DATE 03-14-23
DEPT. Electric

COUNCIL ACTION FORM

SUBJECT: AWARD POWER PLANT MAINTENANCE SERVICES CONTRACT

BACKGROUND:

The Electric Utility has two gas-fired, high-pressure steam generation units within the City's Power Plant, referred to as Units No. 7 and 8. These units require regular professional maintenance and repair. This consists of both emergency and planned repairs and service. Services include a large variety of plant maintenance and repairs, structural steel, pump and piping work, and other miscellaneous mechanical Power Plant work. The repair of the equipment on these generation units requires professional trade crafts such as laborers, millwrights, and steam/pipe fitters.

On December 13, 2022, City Council approved preliminary plans and specifications for the Power Plant Maintenance Services Contract. **This contract is to provide Power Plant maintenance services for the period following final City Council approval of contract and performance bond from date of award through June 30, 2024.** 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 seventeen companies and two 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 January 25, 2023, bids were received from six companies as shown on the Power Plant Maintenance Service Attachments 1 & 2. **Staff evaluated bids based on a typical work scenario. The scenario was based on 10-hour days starting on a Tuesday and going through Saturday which includes one foreman, two pipefitters, and one laborer; travel and per diem were included where appropriate. Based on this evaluation, The Waldinger Corporation, Des Moines, Iowa has submitted the lowest bid.**

The City Council should note that the City was recently engaged in litigation with The Waldinger Corporation and one of its subcontractors regarding a contract for the installation of a boiler and modification to controls for methane generator units at the Water Pollution Control Facility. Waldinger filed suit against the City and a subcontractor that Waldinger had retained to complete that project. This litigation concluded with a settlement in summer 2022.

Although the project at the Water Pollution Control Facility encountered substantial difficulties, staff is recommending that the City Council proceed with the award of the Power Plant Maintenance Services contract to The Waldinger Corporation. This recommendation is based on several factors:

1. This contract will be directly between The Waldinger Corporation and the City; there will not be a third-party subcontractor involved, which simplifies the relationship
2. Staff has conducted reference checks for The Waldinger Corporation (including with the ISU Power Plant staff, which uses the firm for similar work), and the reference checks were positive
3. Representatives from The Waldinger Corporation have indicated that management of the firm was aware of the previous litigation during the time the bid was submitted and did not have concerns about moving forward with a bid submittal to the City

The bid from The Waldinger Corporation is the apparent low bid based on evaluation criteria established at the time the bids were solicited. City policy indicates that the award should be made to the lowest responsive, responsible bidder. Based on the information presented above, staff believes The Waldinger Corporation meets these criteria and should be awarded the contract for Power Plant Maintenance Services.

This contract is to cover the remainder of FY 2022/23 and next FY 2023/24. **These budgets include a total of \$495,000;** \$300,000 in FY 2022/23 and \$195,000 in FY 2023/24.

ALTERNATIVES:

1. Award a contract to The Waldinger Corporation, Des Moines, IA for Power Plant Maintenance Services in the amount of \$495,000.
2. Award a contract to another bidder.
3. Reject all bids and direct staff to rebid.

CITY MANAGER'S RECOMMENDED ACTION:

This work is necessary to ensure that a qualified professional firm will respond to both scheduled and emergency needs for Power Plant maintenance and will also control costs by having established billing rates. 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. This contract total equals the amount of funds that have been budgeted over a two year period.

Summary of maintenance services scenario

	Labor	Subsistence	Travel	Mileage	TOTALS
MD Magary	\$22,261.12	\$ 2,800.00	\$4,712.40	\$2,861.60	\$32,635.12
TEIC	\$13,062.70	\$ 2,700.00	\$4,683.84	\$5,329.08	\$25,775.62
Capital City	\$20,660.00	\$ 1,700.00	\$ 760.00	\$ 68.00	\$23,188.00
Waldinger	\$21,380.24	\$ -	\$ -	\$ 53.76	\$21,434.00
Modern	\$21,670.38	\$ 2,125.00	\$ 700.00	\$8,741.20	\$33,236.58
STCotter	\$24,780.86	\$ 3,460.00	\$6,400.00	\$1,468.32	\$36,109.18



2023-089 Power Plant Maintenance Services Contract Bid Summary

LABOR:		M.D. Magary Construction Co. St Louis, MO			TEiC Construction Services, Inc. Duncan, SC			Capital City Boiler & Machine Works, Inc. Des Moines, IA			The Waldinger Corporation Des Moines, IA			Modern Piping, Inc. Des Moines, IA			S.T. Cotter Turbine Services, Inc. Clearwater, MN		
LABORER		Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate
Day	Journeyman	\$77.48	\$98.28	\$121.62	\$45.60	\$64.48	N/A	\$90.00	\$120.00	\$165.00	\$91.88	\$121.40	\$151.23	\$92.46	\$120.21	\$146.97	N/A	N/A	N/A
	Foreman	\$78.98	\$101.40	\$124.35	N/A	N/A	N/A	\$90.00	\$120.00	\$165.00	\$108.61	\$140.48	\$172.69	\$108.85	\$138.38	\$167.04	N/A	N/A	N/A
	General Foreman	N/A	N/A	N/A	N/A	N/A	N/A	\$90.00	\$120.00	\$165.00	\$113.47	\$146.83	\$180.52	\$112.47	\$143.83	\$174.07	N/A	N/A	N/A
	Superintendent	N/A	N/A	N/A	N/A	N/A	N/A	\$90.00	\$120.00	\$165.00	\$122.35	\$158.67	\$195.37	\$120.10	\$154.44	\$187.59	N/A	N/A	N/A
Night	Journeyman	\$80.48	\$101.28	\$124.62	\$45.60	\$64.48	N/A	\$100.00	\$130.00	\$175.00	\$96.87	\$126.69	\$156.52	\$106.33	\$120.21	\$146.97	N/A	N/A	N/A
	Foreman	\$81.98	\$104.28	\$127.35	N/A	N/A	N/A	\$100.00	\$130.00	\$175.00	\$114.00	\$146.19	\$178.40	\$125.17	\$138.38	\$167.04	N/A	N/A	N/A
	General Foreman	N/A	N/A	N/A	N/A	N/A	N/A	\$100.00	\$130.00	\$175.00	\$119.09	\$152.80	\$186.49	\$121.67	\$143.83	\$174.07	N/A	N/A	N/A
	Superintendent	N/A	N/A	N/A	N/A	N/A	N/A	\$100.00	\$130.00	\$175.00	\$128.48	\$165.17	\$201.88	\$138.11	\$154.44	\$187.59	N/A	N/A	N/A
NOTE:																			
MILLWRIGHT		Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate
Day	Journeyman	\$100.88	\$138.34	\$175.81	\$59.19	\$84.86	N/A	\$95.00	\$125.00	\$170.00	\$91.13	\$120.05	\$151.09	\$96.14	\$123.97	\$150.80	\$103.57	\$155.36	\$207.14
	Foreman	\$103.25	\$141.65	\$180.03	\$62.21	\$89.39	N/A	\$95.00	\$125.00	\$170.00	\$106.23	\$135.12	\$172.56	\$111.80	\$141.13	\$169.41	\$109.30	\$163.95	\$218.60
	General Foreman	\$104.05	\$142.75	\$181.46	\$96.02	\$132.27	N/A	\$95.00	\$125.00	\$170.00	\$111.44	\$140.33	\$180.39	\$114.80	\$145.79	\$175.52	\$112.36	\$168.54	\$224.71
	Superintendent	N/A	N/A	N/A	\$106.59	\$148.12	N/A	\$95.00	\$125.00	\$170.00	\$118.20	\$150.05	\$195.24	\$120.10	\$154.44	\$187.59	\$200.00	\$300.00	\$400.00
Night	Journeyman	\$106.88	\$146.34	\$181.81	\$59.19	\$84.86	N/A	\$105.00	\$135.00	\$180.00	\$95.96	\$125.12	\$155.20	\$111.75	\$123.97	\$150.80	\$104.31	\$156.09	\$207.88
	Foreman	\$109.25	\$147.65	\$186.03	\$62.21	\$89.39	N/A	\$105.00	\$135.00	\$180.00	\$111.32	\$140.48	\$177.92	\$117.20	\$141.13	\$169.41	\$110.03	\$164.69	\$219.34
	General Foreman	\$110.05	\$148.75	\$187.46	\$96.02	\$132.27	N/A	\$105.00	\$135.00	\$180.00	\$116.81	\$145.97	\$186.03	\$122.67	\$145.79	\$175.52	\$113.09	\$169.27	\$225.45
	Superintendent	N/A	N/A	N/A	\$106.59	\$148.12	N/A	\$105.00	\$135.00	\$180.00	\$124.05	\$156.21	\$201.40	\$139.11	\$177.60	\$215.72	\$200.00	\$300.00	\$400.00
NOTE:																			
STEAMFITTER		Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate
Day	Journeyman	\$121.77	\$167.44	\$213.09	\$59.19	\$84.86	N/A	\$95.00	\$125.00	\$170.00	\$91.88	\$121.40	\$151.23	\$96.31	\$122.50	\$147.80	N/A	N/A	N/A
	Foreman	\$127.32	\$175.15	\$222.98	\$62.21	\$89.39	N/A	\$95.00	\$125.00	\$170.00	\$108.61	\$140.48	\$172.69	\$101.05	\$128.87	\$155.74	N/A	N/A	N/A
	General Foreman	\$129.67	\$178.43	\$227.19	\$96.02	\$132.27	N/A	\$95.00	\$125.00	\$170.00	\$113.47	\$146.83	\$180.52	\$105.80	\$135.25	\$163.68	N/A	N/A	N/A
	Superintendent	N/A	N/A	N/A	\$106.59	\$148.12	N/A	\$95.00	\$125.00	\$170.00	\$122.35	\$158.67	\$195.37	\$120.10	\$154.44	\$187.59	N/A	N/A	N/A
Night	Journeyman	\$126.77	\$172.44	\$218.09	\$59.19	\$84.86	N/A	\$105.00	\$135.00	\$180.00	\$96.87	\$126.69	\$156.52	\$110.75	\$122.50	\$147.80	N/A	N/A	N/A
	Foreman	\$132.32	\$180.15	\$227.98	\$62.21	\$89.39	N/A	\$105.00	\$135.00	\$180.00	\$114.00	\$146.19	\$178.40	\$116.20	\$128.87	\$155.74	N/A	N/A	N/A
	General Foreman	\$134.67	\$183.43	\$232.19	\$96.02	\$132.27	N/A	\$105.00	\$135.00	\$180.00	\$119.09	\$152.80	\$186.49	\$121.67	\$135.25	\$163.68	N/A	N/A	N/A
	Superintendent	N/A	N/A	N/A	\$106.59	\$148.12	N/A	\$105.00	\$135.00	\$180.00	\$128.48	\$165.17	\$201.88	\$138.11	\$177.60	\$215.72	N/A	N/A	N/A
NOTE:																			
PIPEFITTER		Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate	Standard Rate	Overtime Rate	Double Time Rate
Day	Journeyman	\$120.11	\$165.92	\$210.27	\$59.19	\$84.86	N/A	\$95.00	\$125.00	\$170.00	\$91.88	\$121.40	\$151.23	\$96.31	\$122.50	\$147.80	N/A	N/A	N/A
	Foreman	\$123.46	\$170.61	\$217.28	\$62.21	\$89.39	N/A	\$95.00	\$125.00	\$170.00	\$108.61	\$140.48	\$172.69	\$101.05	\$128.87	\$155.74	N/A	N/A	N/A
	General Foreman	\$124.11	\$171.44	\$218.79	\$96.02	\$132.27	N/A	\$95.00	\$125.00	\$170.00	\$113.47	\$146.83	\$180.52	\$105.80	\$135.25	\$163.68	N/A	N/A	N/A
	Superintendent	N/A	N/A	N/A	\$106.59	\$148.12	N/A	\$95.00	\$125.00	\$170.00	\$122.35	\$158.67	\$195.37	\$120.10	\$154.44	\$187.59	N/A	N/A	N/A
Night	Journeyman	\$125.11	\$170.92	\$215.27	\$59.19	\$84.86	N/A	\$105.00	\$135.00	\$180.00	\$96.87	\$126.69	\$156.52	\$110.75	\$122.50	\$147.80	N/A	N/A	N/A
	Foreman	\$128.46	\$175.61	\$222.28	\$62.21	\$89.39	N/A	\$105.00	\$135.00	\$180.00	\$114.00	\$146.19	\$178.40	\$116.20	\$128.87	\$155.74	N/A	N/A	N/A
	General Foreman	\$129.11	\$176.44	\$223.79	\$96.02	\$132.27	N/A	\$105.00	\$135.00	\$180.00	\$119.09	\$152.80	\$186.49	\$121.67	\$135.25	\$163.68	N/A	N/A	N/A
	Superintendent	N/A	N/A	N/A	\$106.59	\$148.12	N/A	\$105.00	\$135.00	\$180.00	\$128.48	\$165.17	\$201.88	\$138.11	\$177.60	\$215.72	N/A	N/A	N/A
NOTE:																			
TRAVEL & SUBSISTENCE																			
Description		Rate			Rate			Rate			Rate			Rate			Rate		
Subsistence:		Paid 7 days per week																	
Supervisors		\$140/day			\$150/day			\$85/day			\$0.00/day			\$125/day			\$173/day		

Craft	\$140/day	\$130/day	\$85/day	\$0.00/day	\$100/day	\$173/day
Travel & Mileage						
See attached sheet						
Supervisor travel	\$75/hr	\$.655/mile (8hr in & 8hr out if 5 days or less plus mileage)	\$95.00/hour	\$.64/mile	\$350 per mobilization of project and close of project	\$200/hour
Supervisor mileage	\$.98/mile	\$.655/mile	\$1.00/mile	\$.64/mile	\$1.30 per local small emergency	\$.69/mile
Craft travel	straight time rate of specific craft	8hr in & 8hr out if 5 days or less plus mileage	N/A	\$0.00	N/A	\$103.57/hour
Craft mileage	\$.98/mile	\$.655 per mile each way from home to Ames, IA	N/A	\$0.00	N/A	\$.69/mile
Deliveries						
Travel	\$78.98 per hour	\$2.00/mile for 1 round trip per job	\$50.00/hour	\$79.76/hour	\$150.00 per person for large outage	\$103.57/hour
Mileage	\$.98/mile	\$2.00/mile for 1 round trip per job	\$1.00/mile	\$1.64/mile	\$400.00 per trip	\$.69/mile
MISC.						
Description	Rate	Rate	Rate	Rate	Rate	Rate
Safety supplies & equipment	COST + 10%	COST + 15%	COST + 5%	COST + 15%	COST + 7%	COST + 10%
Miscellaneous materials & consumables	COST + 10%	COST + 15%	COST + 7%	COST + 15%	COST + 15%	COST + 10%
Renewal						
Labor	N/A	3%	N/A	4%	4%	3%
Travel & Subsistence	8%	3%	N/A	4%	7%	3%
Equipment & Tools	3%	3%	N/A	4%	5%	3%