

**COUNCIL ACTION FORM**

**SUBJECT: REQUEST TO WAIVE PURCHASING POLICY, APPROVE CONTINUATION OF PART-TIME MECHANICAL ENGINEERING SERVICES FOR POWER PLANT, AND APPROVE PAYMENT FOR SERVICES**

**BACKGROUND:**

In September 2008, a purchase order was issued for part-time mechanical engineering services to Brown Engineering Company of Des Moines, Iowa, in the amount of \$30,000. It was originally expected that the position of Power Plant Engineer would be filled by this time. Due to the City's inability to hire a plant engineer, the actual cost incurred through February 10 under the initial purchase order is estimated to total \$48,000.

The part-time engineer from Brown Engineering Company is involved in a number of current projects and in the planning of several scheduled projects. Preliminary work to determine requirements for several other projects is also needed. Brown Engineering is providing services to the City of Ames beyond those of just contract plant engineering.

The City's purchasing policy requires formal competitive proposals for professional services exceeding \$50,000. It is estimated that the cost of engineering services to complete the work currently underway and to perform the preliminary work on other projects through June 30 would not exceed an additional \$48,000. Staff recommends continuation of the current agreement with Brown Engineering Company for ongoing services on Power Plant projects rather than soliciting competitive proposals. Brown Engineering Company has been involved in these projects since planning for them began. Contracting with another professional would cause additional time and expense to the City in order for another consultant to become familiar with these projects. Funding is available from salary savings as the Power Plant engineer position has been vacant since July 2008. The budget will be adjusted at the appropriate time. The total amount to be expensed under this purchase order through June 30, 2009, will not exceed \$96,000.

### **ALTERNATIVES:**

1. Waive the purchasing policy requiring solicitation of competitive proposals for professional services and approve continuation of part-time mechanical engineering services from Brown Engineering Company of Des Moines, Iowa, at an additional cost estimated to be \$48,000, and authorize payment for services already received. The total amount to be expensed under this purchase order through June 30, 2009, will not exceed \$96,000.
2. Do not approve additional part-time mechanical engineering services from Brown Engineering Company.

### **MANAGER'S RECOMMENDED ACTION:**

Brown Engineering Company of Des Moines, Iowa, has provided part-time mechanical engineering services for the Power Plant since September of 2008. Brown Engineering staff are involved in a number of projects that are currently underway, and are needed for work on scheduled projects. The estimated cost of the services through June 30 is \$96,000. This includes services rendered to date.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving waiving the purchasing policy requiring solicitation of competitive proposals for professional services, approving continuation of part-time mechanical engineering services from Brown Engineering Company of Des Moines, Iowa, at a cost not to exceed \$96,000 through June 30, 2009, and authorize payment for services already received.