

COUNCIL ACTION FORM

SUBJECT: POWER PLANT ROOF REPLACEMENT PROJECT

BACKGROUND:

This project is for the replacement of several sections of the Power Plant roof. The current roof was installed in sections over time, and several areas are showing wear. The decking in several areas is decaying. For the last several years Plant staff have been patching leaky sections and using stop gap measures to repair areas in need, but the patching and repair jobs are becoming numerous and more expensive. It is now more cost-effective for the utility to completely replace the worn areas. In addition, decaying roofs can be a significant safety concern; especially at the Power Plant where maintenance crews are required to walk on the roof decking frequently.

On August 26, 2009, bids were received as shown on the attached report. Electric Services staff reviewed the bids. Staff concluded that the apparent low bid in the amount of \$223,000.00 submitted by Academy Roofing, Des Moines, IA, is acceptable.

The Engineer's estimate of the cost of this project was \$150,000, and the approved 2009/10 operating budget for the Power Plant contains \$150,000 for roof repairs. Of that amount, \$16,800 was used to repair another section of the Power Plant roof, and as a result \$133,200 remains. The apparent low bid of \$223,000 exceeds the budgeted amount by \$89,800. Additional funding has been made available from the approved 2009/10 Electric Production operating budget as follows:

Unit 7 equipment repair	\$ 50,000
Unit 8 equipment repair	\$ 30,000
RDF Bin equipment repair	\$ 10,000
CT 1 equipment repair	<u>\$ 5,000</u>
	\$ 90,000

The operating budget will be amended at the appropriate time to reflect funding of this project. A number of maintenance items, including turbine parts for Unit #8 and cooling tower parts for Unit #7, are projected to be slightly less based on current estimates. However, it should be noted that it is very early in the budget year and further movement of funds and/or delay of other work may need to be done to accommodate this project as the fiscal year progresses.

ALTERNATIVES:

1. Award a contract to Academy Roofing, Des Moines, IA, for the Power Plant Roof Replacement Project in the amount of \$223,000.
2. Reject all bids and delay the replacement of the Power Plant roof.

MANAGER'S RECOMMENDED ACTION:

It is unfortunate that the engineer's estimate for the roof repair for the Power Plant was so far below the bids received from roofing contractors, since the budget for this project was based on contractors' estimates. It is unlikely that rejecting bids and re-bidding the work at a later date will result in better prices, since this work is on a very high portion of the Power Plant roof and is difficult to reach to deliver materials. This work is necessary to maintain safe and efficient working conditions at the Plant, so cancelling the project would not be a viable option. Since it is no longer cost-effective for the utility to continue to just patch areas as leaks occur, the project is becoming critical.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby awarding a contract to Academy Roofing, Des Moines, IA, for the Power Plant Roof Replacement Project in the amount of \$223,000. Power Plant operating budget funds will be reallocated this fall to accommodate this work as a part of the normal budget amendment process.

Bid Summary 2009-239



**INVITATION TO BID NO. 2009-239
POWER PLANT ROOF REPLACEMENT PROJECT**

BIDDER	# 8 BOILER ROOF REPLACEMENT	# 8 TURBINE ROOF REPLACEMENT	TOTAL
Academy Roofing, Des Moines, Iowa	\$ 88,500.00	\$ 134,500.00	\$ 223,000.00
R.L. Craft Co., Inc., Denison, Iowa	\$ 99,216.00	\$ 136,651.00	\$ 235,867.00
Central States Roofing, Ames, Iowa	\$ 97,000.00	\$ 143,000.00	\$ 240,000.00
Advance Builders Corporation, Cedar Rapids, Iowa	\$ 122,000.00	\$ 156,000.00	\$ 278,000.00