ITEM # ___33__
DATE: 11-13-12

COUNCIL ACTION FORM

SUBJECT: POWER PLANT STEAM TURBINE NO. 8 OVERHAUL

BACKGROUND:

On September 25, 2012, City Council approved preliminary plans and specifications for the Steam Turbine No. 8 Overhaul. This project is for the procurement of an experienced turbine contractor to perform all the disassembly, cleaning, repairing and reassembly of Unit 8 Turbine Generator. This unit is scheduled to be disassembled and inspected after over 27,000 hours of operation during the spring 2013 outage.

This work is required to replace worn parts and inspect the turbine and generator for repairs that may be needed to avoid more serious damage. Repairs and replacement of worn parts will be completed as the inspection progresses. Experience has shown that certain parts require replacement every outage and some parts become unusable during the disassembly process.

Bid documents were issued to sixty-three potential bidders. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published in the Ames Tribune. The bid was also sent to three plan rooms.

On October 31, 2012, eleven bids were received as shown on the attached report. The bid submitted by Turbocare, Chicopee, MA was found to be non-responsive because bid security was not submitted with its bid.

Electric Services staff has determined that additional time is needed to evaluate each of the remaining bids to determine which one can perform the Steam Turbine No. 8 Overhaul at the lowest overall price.

ALTERNATIVES:

1. Accept the report of bids and delay award for the Steam Turbine No. 8 Overhaul.

2. Award a contract to the apparent low bid.

3. Reject all bids and direct staff to rebid.

MANAGER'S RECOMMENDED ACTION:

By choosing alternative No. 1, staff will have adequate time to evaluate each bid and ensure that the City selects a contractor that can perform the steam turbine overhaul at the best price. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

INVITATION TO BID NO. 2013-037 STEAM TURBINE NO. 8 OVERHAUL BID SUMMARY

BIDDER:	Midwest Service Center, Hobart, IN	Wood Group Power Plant Services, Inc., Alpharetta, GA	Mitsubishi Power Systems Americas, Inc. Orlando, FL	NAES Corporation Houston, TX	HPI-LLC Houston, TX	Power Generation Service, Inc Anoka, MN	Power Plant Field Services Ball Ground, GA	Turbine Diagnostic Services Odessa, FL	General Electric Intl Inc Omaha, NE	Turbine Pros Rogers, MN	Turbocare Chicopee, MA
DESCRIPTION											
BASE	$885,470.00	$773,593.51	$825,373.00 Base Major $5,020.00 Safety Engineer during outage $33,514.00 Round Trip Transportation	$443,800.00	$445,160.00	$541,492.00	$380,860.00	$629,438.00	$643,129.00	$482,480.00 Base $3,600.00 Blade work per row $1,700.00 Crack grind $2,700.00 Blade Welding	**Non-responsive. Did not receive bid security by bid due date**
Sales and/or Use taxes included in the above Amount:	Not licensed to collect IA sales tax	$54,151.55	Not included	$29,050.00	$29,122.45 - Freight inluded in above total	$37,905.00	Not licensed to collect IA sales tax	Not licensed to collect IA sales tax	Not included	Not included	
OPTIONS											
Major repair of first stage nozzle parts	$36,995.00	$18,061.69	$79,753.00	$15,000.00	$18,250.00	$28,428.00	$9,680.00	$97,836.00	$14,743.00	$14,500.00	
Major repair of first stage deflector	$23,061.00	$18,061.69	$34,776.00	$7,500.00	$18,250.00	$3,605.00	$11,750.00	$24,221.00	$4,775.00	$14,500.00	
Major repair of both rows of first stage rotating blades	$26,570.00	$21,425.14	$17,069.00	$15,000.00	$21,650.00	$3,605.00	$6,000.00	$29,436.00	$9,550.00	$17,200.00	
Major repair of second thru fifth stage blades	$60,731.00	$53,562.86	$34,139.00 Minor Repair	$30,000.00	$54,130.00	$7,416.00	$12,000.00	$84,721.00	$19,100.00	$43,000.00	
Major repair of second thru fifth stage diaphragms	$53,660.00	$76,731.91	$419.00 each blade	$30,000.00	$77,540.00	$62,830.00	$60,000.00	$264,581.00	$60,910.00	$61,600.00	
Major repair of 14th thru 17th stage	$151,356.00	$76,731.91	$623.00 each blade	$30,000.00	$74,540.00	$77,250.00	$60,000.00	$317,492.00	$294,833.00	$61,600.00	
Major repair of 14th thru 17th stage blades with installation and supply of erosion	$116,525.00	$152,467.30	$17,069.00 $1,004.00 erosion shield each blade	T & M	$154,080.00	$206,000.00	$130,500.00	$139,768.00	$26,987.00	$122,400.00	
Surface preparation and re-coating of the internals of the main lube oil tank	$8,700.00	T & M	Exception	$10,000.00	$3,745.00	T & M	T & M	$34,339.00	No Bid	No Bid	
Machining and repair of the generator collector rings	$15,004.00	$43,222.90 on-site $22,944.83 off-site	$58,830.00	$15,000.00	$43,680.00 on-site $23,187.00 off-site	$36,050.00	$10,000.00	$38,204.00	$49,585.00	$34,700.00 on-site $18,420.00 off-site	
Supply of two technical advisors	$139,480.00	Included in Base Bid	$118,913.00 each MPSA TFA	No Bid	Cannot provide	$123,600.00 per each TFA	$53,520.00 per each TFA	$194.00 per hr per man	$250,850.00	$85,150.00 Technical Director day shift	
Supply of one generator specialist	$16,292.00	Included in Base Bid	Included	Included	$16,120.00	Included	$140.00 per hr	$194.00 per hr per man		N/A	
Repowering and boring of four main shaft journal bearings. Include shipping if necessary.	$43,330.00	$43,326.88	$6,021.00	$54,000.00	$19,970.00	$19,313.00	$24,840.00	$24,282.00	$55,941.00	$42,200.00 on-site $25,200.00 off-site	
Inspection and testing the generator	$20,944.00	$19,731.06	$55,015.00	$16,500.00	$16,120.00	$15,100.00	$18,975.00	$22,500.00	$24,109.00	$20,370.00	
Turbine rotor low speed spin balance	$10,048.00	$18,933.85	$14,750.00	$21,000.00	shop $17,890.00	$8,755.00	$23,000.00	$21,122.00	$7,885.00	$17,200.00 on-site $15,200.00 off-site	

$26,676.00	Start-Up Specialist
$31,000.00	Perf. Bond
$6,300.00	Turb. Rotor Transp. (both ways)
$6,300.00	Nozzle Plate and Diaphragms Transp (both ways)