

COUNCIL ACTION FORM

SUBJECT: POWER PLANT SUPERHEATER ATTEMPERATOR REPLACEMENT

BACKGROUND

On August 27, 2013, City Council approved preliminary plans and specifications for the Replacement Superheater Attemperator. An attemperator is used in a boiler to regulate the temperature of the steam as it leaves the boiler on its way to the steam turbine. This project was for procurement and installation of an attemperator to replace the original attemperator in the superheater of the Power Plant's Unit #8 boiler. **This portion was for the purchase of the attemperator only.**

On September 11, 2013, one bid was received from Babcock & Wilcox Power Generation Group of Barberton, Ohio. The amount of the contract awarded by the City Council on October 8, 2013 was \$163,406.35 (inclusive of Iowa sales tax).

Staff administratively issued one change order in the amount of (-\$1,493.05) to deduct the 1% local option tax off of the purchase order, since this contractor does not have any physical locations in Iowa and did not perform any work on site. The total amount invoiced was \$161,913.30.

The engineer's estimate for the purchase of the attemperator was \$155,000. Funding to purchase this equipment was available from the approved FY2013/14 Electric Production operating budget under boiler parts and supplies.

All of the work included in the contract with Babcock & Wilcox Power Generation Group has now been completed, and the Power Plant Engineer has provided a certificate of completion.

ALTERNATIVES:

- 1) Accept completion of the contract for the Replacement Superheater Attemperator with Babcock & Wilcox Power Generation Group at a total cost of \$161,913.30, and authorize final payment to the contractor.
- 2) Delay acceptance of this project.

MANAGER'S RECOMMENDED ACTION:

The contractor furnishing this attemperator has delivered the material as specified under the contract. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.