

COUNCIL ACTION FORM

**SUBJECT: ELECTRICAL MAINTENANCE SERVICES CONTRACT FOR
POWER PLANT**

BACKGROUND:

On April 12, 2016, City Council approved preliminary plans and specifications for the Power Plant's Electrical Maintenance Services Contract. This contract consists of regular professional maintenance and repair to numerous circuit breakers, relays, and electrical circuits located Plant-wide. This consists of emergency service, as well as regularly planned repairs and services during scheduled outages.

This contract is to provide electrical maintenance services for the period from July 1, 2016 through June 30, 2017. 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 fourteen companies. 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 one plan room.

On May 12, 2016, bids were received from four companies as shown on Attachment A: Bid Summary on the attached Bid Report. Upon the initial evaluation, staff determined that the bid submitted from Midwest Engineering Consultants, LTD, was non-responsive because it did not provide a proposed price increase percentage for renewal periods with the bid. Instead of meeting this requirement, it was stated on the bid that "*MEC rate schedule is reviewed annually and any increase will be presented during the renewal process*". Since this is a renewable contract, the percentages are a mandatory requirement because they provide a cap on any cost increases for each renewal year.

Electric Services staff needs additional time to evaluate the remaining bids to determine which one will provide these services at the lowest overall price.

ALTERNATIVES:

1. Accept the report of bids and delay award for the FY2016/17 Electrical Maintenance Services Contract for Power Plant.
2. Award a contract to the apparent low bid.
3. Reject all bids and direct staff to rebid.

MANAGER'S RECOMMENDED ACTION:

This work is necessary to properly maintain relays, circuit breakers, and electrical circuits as well as to carry out emergency and scheduled repairs resulting from equipment failures. This contract would establish rates for service and provide for guaranteed availability, thereby setting in place known rates for service and controlling the Plant's costs.

By choosing alternative No. 1, staff will have enough time to evaluate each bid to ensure the City receives these services at the best price. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.



ITB 2016-148 Electrical Maintenance Services for Power Plant Bid Summary

	Tri-City Electric Company of Iowa, Davenport, IA			Shermco Industries Dallas, TX			ProEnergy Services, LLC Sedalia, MO			Midwest Engineering Consultants, LTD, Moline, IL		
DESCRIPTION	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)	Hourly Rate	Hourly Rate	Hourly Rate	Hourly Rate	Hourly Rate	Hourly Rate
Supervisor	\$83.30	\$112.75	\$145.00	\$130.00	\$195.00		\$60.00	\$90.00		Non-Responsive. Did not provide proposed price increases percentage for renewal periods with the bid. Bid stated "MEC rate schedule is reviewed annually and any increase will be presented during the renewal process".		
Apprentice	\$33.95	\$44.20	\$55.30				\$35.00	\$52.50				
Foreman	\$79.00	\$108.50	\$140.00				\$55.00	\$82.50				
Journeyman	\$76.00	\$104.25	\$135.00				\$44.00	\$66.00				
Technician	\$90.00	\$115.00	\$150.00	\$120.00	\$180.00		\$50.00	\$75.00				
Technician Level II	\$95.00	\$120.00	\$155.00									
Technician Level III	\$100.00	\$125.00	\$160.00									
Elect. Field Eng	\$125.00	\$150.00	\$180.00									
Sr. Drives & Automation Tech				\$160.00	\$240.00							
Drives & Automation Tech				\$140.00	\$210.00							
ESD Circuit Breaker Shop				\$120.00	\$180.00							
Registered Engineer (PE)				\$160.00	\$240.00							
Electrical Engineer				\$140.00	\$210.00							
P & C Relay / NERC FERC Tech				\$145.00	\$217.50							
Subsistence:	\$145.00 per day			\$35.00 per day			\$110.00 per day for Supervision; \$100.00 per day for Craftsman					
Travel:	\$65.00 per hour			\$105.00 per hour			\$250.00 per mob / \$255.00 per demobe					
Mileage:	\$.75 per mile			\$1.25 per mile			IRS rate per mile					
Material Costs:	Cost Plus 10%			Cost Plus 20 %			Cost Plus 10 %					
Misc. Tools and Equipment Rates												
Relay Test Set	\$60.00/Day, \$240.00/Week, \$720.00/Month			Included in rate								
High Current Test Set	\$80.00/Day, \$320.00/Week, \$960.00/Month											
Electrical Tool Trailer							\$1,350 per week plus \$1,000 mobe/\$1,000 demobe					
Proposed Price Increase for Renewal Periods:												
Labor Rates:	3.5% per year			3% per year			0% per year					
Travel & Subsistence:	3.5% per year			3% per year			0% per year					