COUNCIL ACTION FORM

SUBJECT: POWER PLANT UNIT #8 FEEDWATER PUMP INSPECTION AND REPAIR

BACKGROUND:

Feedwater pumps are required for operation of the Power Plant, as they are the primary pumps used to pump water through the boiler for conversion to steam to drive the plant turbine. The work in this project includes furnishing all services, equipment, materials, labor, supervision and management necessary for a contractor to disassemble, document as-found conditions, repair or replace components, reassemble, document as-repaired conditions, and return the Unit 8 feedwater pump to the City.

Bid documents were issued to nineteen companies. The bid was also advertised on the Current Bid Opportunities section of the Purchasing webpage and was sent out to one plan room.

On August 24, 2016, five bids were received as shown on the attached report. Staff reviewed the bids and concluded that the apparent low bid is acceptable. That bid was submitted by Superior Industrial Equipment, Grimes, IA in the amount of \$91,199.70. When Iowa sales tax for materials is added, the total contract will be \$92,559.96.

The engineer's estimate for this project is \$102,000. The approved FY 2016/17 operating budget for Unit #8 Auxiliary Equipment contains \$123,000 which will be utilized to cover this project.

ALTERNATIVES:

- 1. Award a contract to Superior Industrial Equipment, Grimes, IA, for the Unit 8 Feedwater Pump Inspection and Repair in the amount of \$92,559.96 (inclusive of lowa sales tax).
- 2. Reject all bids, which will delay this repair.

MANAGER'S RECOMMENDED ACTION:

This project is crucial because boiler feed pump reliability is necessary for plant operation. The loss of a boiler feed pump would result in reduced unit capacity or unit shutdown for an extended period of time.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

	INVITATION TO BID NO. 2017-016 UNIT 8 FEEDWATER PUMP INSPECTION AND REPAIR BID SUMMARY				
BIDDER	LUMP SUM COST	SALES AND/OR USE TAXES INC.	ADDER 1*	ADDER 2*	EVALUATED COST**
Superior Industrial Equipment Grimes, IA	\$62,670.96	\$1,360.26	\$15,889.00	\$14,000.00	\$91,199.70
Rotating Equipment Repair Sussex, WI	\$98,037.00	Not licensed			\$98,037.00
Sulzer Rotating Equipment Services / Sulzer Pump Services (US) Inc. Joliet, IL	\$122,079.00	Not licensed			\$122,079.00
HydroAire Service, Inc Chicago, IL	\$135,779.85	\$1,344.35			\$134,435.50
Pumping Solutions, Inc Blue Island, IL	\$154,756.00	\$10,124.00			\$144,632.00

* Superior Industrial Equipment's adders were included as part of the addenda and work scope specified in the bidding document. Instead of revising their bid Superior Industrial Equipment included the additional work cost as adders.

* Evaluated Cost is less all applicable lowa sales tax since two bidders are not licensed to collect.