

COUNCIL ACTION FORM

SUBJECT: POWER PLANT VALVE MAINTENANCE SERVICES CONTRACT

BACKGROUND:

On May 23, 2017, City Council approved preliminary plans and specifications for the Valve Maintenance, Related Services and Supplies Contract for the Power Plant. The Electric Utility's two natural gas-fired, high-pressure steam generation units require regular professional maintenance and repair. This consists of emergency service as well as regularly scheduled planned repairs and services during scheduled outages.

Services include a large variety of boiler and pressure vessel maintenance and repairs, structural steel, pump and piping work, coal handling system, coal pulverizer work, and other miscellaneous mechanical Power Plant work. Due to these operational conditions, numerous valves are used to operate the Power Plant. These include isolation, control, check, relief and safety valves, which must be professionally repaired, tested, installed, replaced and maintained. Specially trained personnel perform this work.

This initial contract is to provide valve maintenance services for the period from contract and bond approval date through June 30, 2018. The contract also 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 eighteen 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 three plan rooms.

On June 28, 2017, three bids were received as shown on the attached report. Electric Services staff needs additional time to evaluate the remaining bids to determine which one will provide the best value for these services at the lowest overall price.

ALTERNATIVES:

1. Accept the report of bids and delay award for the FY2017/18 Valve Maintenance, Related Services and Supplies Contract.
2. Award a contract to the apparent low bid.
3. Reject all bids and direct staff to rebid.

CITY MANAGER'S RECOMMENDED ACTION:

Staff needs additional time to evaluate each bid to ensure that the City receives the best value for these services.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.



2017-172 VALVE MAINTENANCE, RELATED SERVICES AND SUPPLIES CONTRACT FOR POWER PLANT BID SUMMARY

**Pioneer Industrial
Hastings, NE**

**Dowco Valve Company Inc
DeWitt, IA**

**Allied Valve, Inc
Bettendorf, IA**

LABOR AND RELATED COSTS									
DESCRIPTION	HOURLY RATES			HOURLY RATES			HOURLY RATES		
	STRAIGHT TIME	OVERTIME	DOUBLE TIME	STRAIGHT TIME	OVERTIME	DOUBLE TIME	STRAIGHT TIME	OVERTIME	DOUBLE TIME
Foreman	\$65.00	\$97.50	\$130.00	\$71.00	\$99.00	\$120.00	\$125.00	\$156.00	\$210.00
Journeyman	\$65.00	\$97.50	\$130.00	\$71.00	\$99.00	\$120.00	\$115.00	\$145.00	\$210.00
Valve Technician	\$65.00	\$97.50	\$130.00	\$67.00	\$94.00	\$115.00	\$82.00	\$115.00	\$140.00
Instrument Technician Actuators	\$90.00	\$135.00	\$180.00	\$110.00	\$163.00	\$185.00			
TRAVEL & SUBSISTENCE									
DESCRIPTION	RATE			RATE			RATE		
Subsistence:	\$40.00 + Hotel, Add 15% to Hotel Charges (Estimated Hotel:\$140.00/room per night)			\$50.00 Meals + \$125.00 Motel Estimate + \$175.00					
Foreman	\$180.00			\$175.00			\$60.00		
Journeyman	\$180.00			\$175.00			\$60.00		
Valve Technician	\$180.00			\$175.00			\$60.00		
Travel and Mileage:	Regular Hours of Travel non OT/DT			Monday - Friday No OT					
Foreman travel	\$65.00			\$71.00			\$70.00 ST/HR \$90.00 SAT+OT \$130.00 HOL		
Foreman mileage	\$1.00			\$1.05			\$70.00 ST/HR \$90.00 SAT+OT \$130.00 HOL		
Journeyman travel	\$65.00			\$71.00			\$70.00 ST/HR \$90.00 SAT+OT \$130.00 HOL		
Journeyman mileage	\$1.00			\$1.05			\$70.00 ST/HR \$90.00 SAT+OT \$130.00 HOL		
Valve Technician travel	\$65.00			\$67.00			\$70.00 ST/HR \$90.00 SAT+OT \$130.00 HOL		
Valve Technician mileage	\$1.00			\$1.05			\$70.00 ST/HR \$90.00 SAT+OT \$130.00 HOL		
Deliveries:									
Travel	\$65.00			\$67.00			\$60.00		
Mileage	\$1.00 / mile			\$1.05 / mile			\$1.00 / mile		
EQUIPMENT									
DESCRIPTION	PER DAY	PER WEEK		PER DAY	PER WEEK		PER DAY	PER WEEK	
Mobile shop trailer	\$400.00	\$2,000.00		\$350.00	\$1,835.00		\$500.00	\$2,500.00 (7 days)	
Packing extractor	\$250.00	\$1,250.00		\$200.00	\$1,050.00		\$125.00	\$0.00	
Truck	\$100.00	\$500.00		\$50.00	\$265.00		\$150.00	\$1,050.00 (7 days)	
Hydro set testing device	\$150.00	\$750.00		\$300.00	\$1,575.00		\$0.00	\$0.00	
Electronic valve tester	\$200.00	\$1,000.00		\$350.00	\$1,835.00		\$550.00	\$0 (day only)	
Gate valve machine	SEE BELOW	SEE BELOW		\$475.00	\$2,490.00		\$495.00	\$0 (day only)	
Reseating machine	\$500.00	\$2,500.00		\$475.00	\$2,490.00		\$1,000.00	\$0 (day only)	
Valve bore honing tool	\$500.00	\$2,500.00		\$475.00	\$2,490.00		\$750.00	\$0 (day only)	
Gate valve machine (1 1/2" to 14" valve size)	\$400.00	\$2,000.00		\$350.00	\$1,835.00		\$495.00	\$0 (day only)	
Gate valve machine (8" to 30 valve size)	\$525.00	\$2,625.00		\$475.00	\$2,490.00		\$495.00	\$0 (day only)	
MATERIAL COSTS	Cost plus 20%			Cost plus 20%			Cost plus 25%		
OTHER RATES									
DESCRIPTION	RATE			RATE			RATE		
Shop truck mileage	\$1.00			\$1.05/mile			\$1.00/mile		
Mobile shop trailer mileage	\$1.00			\$1.05/mile			\$2.00/mile		
Safety Equipment				\$15.00 per man per day					
Consumables				5% of labor hours x regular hourly					
PRICE INCREASE ESCALATORS FOR ANNUAL RENEWAL TERMS									
Labor Rates:	3%			3%			3%		
Travel & Subsistence:	2%			2%			3%		
Equipment & Tools:	1%			1%			0%		