

COUNCIL ACTION FORM

SUBJECT: POWER PLANT MAINTENANCE SERVICES CONTRACT

BACKGROUND

The Electric Utility has two high-pressure steam generation units within the City's Power Plant, referred to as Units No. 7 and 8. These units require regular professional maintenance and repair. This consists of both emergency and planned repairs and service. Services include a large variety of boiler and pressure vessel maintenance and repairs, structural steel, pump and piping work, and other miscellaneous mechanical Power Plant work.

The repair of the equipment on these generation units requires professional trade crafts such as boilermakers, steam/pipe fitters and millwrights. The crafts are certified to install and repair high-pressure vessel and piping systems and other apparatus of the generation units. One of the most important aspects of this work is to provide the dependable, high pressure certified repairs and documentation required by State Code.

On June 11, 2013, City Council awarded a contract to ProEnergy Services LLC, Sedalia, MO, for the Power Plant Maintenance Services Contract. The contract had the option for the City to renew in one-year increments for up to four optional twelve-month renewal periods. On May 5, 2017, City Council approved the fourth and final renewal of this contract in an amount not to exceed \$425,000.

Council should note that the actual amount spent on this contract was \$4,250, which is less than the total contract amount by \$420,750. This is due to the time and material charges associated with the contract were less than anticipated. The City Council should remember that at the September 11, 2018 meeting that a contract for the FY 2018/19 period was awarded to TEI Construction Services, Inc., Duncan, SC, which replaced ProEnergy Services.

All of the requirements of the contract have been met by ProEnergy Services LLC, and the Power Plant Engineer has provided a certificate of completion.

ALTERNATIVES:

- 1) Accept completion of the contract with ProEnergy Services LLC for the FY2017/18 Power Plant Maintenance Services Contract at a total cost of \$4,250.00.
- 2) Delay acceptance of this contract.

MANAGER'S RECOMMENDED ACTION:

The contractor for the Power Plant Maintenance Services Contract has completed all of the work for the 2017/18 period. The Power Plant Engineer has issued a certificate of completion on the work.

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