

ITEM # 15  
DATE: 11-12-19

**COUNCIL ACTION FORM**

**SUBJECT: POWER PLANT UNIT NO. 7 (PUMP 72) 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. Unit #7 has two feedwater pumps, but can operate with only one in service. 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 for one of the Unit #7 feedwater pumps to the City.

Bid documents were issued to twenty-eight companies and was sent out to five plan rooms. The bid was also advertised on the Current Bid Opportunities section of the Purchasing webpage.

On November 25, 2019, one bid was received as shown on the attached report.

Bidder	Bid Price	Sales and/or Use Taxes Included	Evaluated Bid Price
Brimhall Industrial, Inc. Monte Vista, CO	\$98,662.83	\$6,906.40*	\$105,569.23
* Brimhall Industrial is not licensed to collect Iowa sales tax. The sales tax amount shown is what the City would pay directly to the state of Iowa. This ensures a fair evaluation of all bids.			

Staff reviewed the bid and concluded that the only bid received is acceptable. That bid was submitted by Brimhall Industrial, Inc., Monte Vista, CO in the amount of \$98,662.83, plus applicable sales taxes (in the amount of \$6,906.40) to be paid directly by the City to the State of Iowa.

**The Engineer's estimate for this repair is \$196,000.** It should be emphasized that this estimate includes the purchase of pump mechanical seals. However, the City intends to purchase these seals separately at an estimated cost of \$25,000, and install using city staff which partially explains the large spread between the Engineer's estimate and the actual bid price. The approved FY 2019/20 operating budget for Unit #7 Auxiliary Equipment contains \$160,000 which will be utilized to cover this repair.

**ALTERNATIVES:**

1. Award a contract to Brimhall Industrial, Inc., Monte Vista, CO, for the Unit 7 (Pump 72) Feedwater Pump Inspection and Repair in the amount of \$98,662.83, plus applicable sales taxes (in the amount of \$6,906.40) to be paid directly by the City of Ames to the State of Iowa.
2. Reject the bid, which will delay this repair.

**CITY MANAGER'S RECOMMENDED ACTION:**

This repair is crucial because boiler feed pump reliability is necessary for plant operation. The loss of one of the boiler feed pumps would result in reduced unit capacity or unit shutdown for an extended period of time. Loss of both pumps would prevent the Power Plant from operating altogether.

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