

COUNCIL ACTION FORM

SUBJECT: **UNIT #8 CRANE RENOVATION**

BACKGROUND:

On June 9, 2020, City Council approved preliminary plans and specifications for the Unit #8 Crane Renovation. This project is for materials, equipment, and labor necessary for the installation of equipment related to the renovation of the Unit #8 crane.

Bid documents were issued to 13 firms. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published on the websites of a contractor plan room service with statewide circulation. The bid was also sent to three plan rooms. On July 15, 2020, three bids were received as shown below:

Bidder	Sales and/or Use taxes included in Lump Sum	Lump Sum Bid
<i>Engineer's Estimate</i>	--	\$379,500
Miner Corporation dba MHC Systems, LLC, Urbandale, IA	\$17,486.00	\$269,876.00
Kistler Crane and Hoist, Omaha, NE	\$20,754.02	\$323,711.02
Konecranes, Inc., Cedar Rapids, IA	\$24,932.00	\$399,932.00

Staff reviewed the bids and concluded that the apparent low bid submitted by Miner Corporation dba MHC Systems, LLC, Urbandale, IA, in the amount of \$269,876 (inclusive of Iowa sales tax) is acceptable.

MHC Systems has included optional pricing for LED lighting upgrades for the Unit 8 crane. The Power Plant would like to include this option in the award pricing at an additional cost of \$3,330.00 (plus \$233.10 sales tax).

Since the need for this work was not learned until the budget was finalized, this project was not included in Electric Services' FY 2019/20 CIP. Funding for this project will come from savings in budgeted amounts for the Unit #7 Turbine Generator Overhaul CIP project, which has \$709,000 remaining. This is consistent with what staff informed City Council at the time the preliminary plans and specifications were approved.

On July 28, 2020, the City Council accepted the report of bids and continued the hearing so City staff could obtain information from references of the low bidder. The reference checking is now complete to City staff's satisfaction.

ALTERNATIVES:

1. Award a contract to Miner Corporation dba MHC Systems, LLC, Urbandale, IA, for the Unit #8 Crane Renovation in the amount of \$273,439.10 (inclusive of Iowa sales tax).
2. Award a contract to another bidder.
3. Reject all bids and delay the repair which could eventually render the crane unreliable and potentially create unsafe crane operation.

CITY MANAGER'S RECOMMENDED ACTION:

The crane is critical plant equipment used in completing major work on the turbine/generators. This work should be completed before work begins on the Unit #8 Turbine Generator.

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