

**COUNCIL ACTION FORM**

**SUBJECT: POWER PLANT UNIT 8 PRECIPITATOR ROOF REPLACEMENT -  
REPORT OF BIDS**

**BACKGROUND:**

On June 23, 2020, City Council approved preliminary plans and specifications for the Unit #8 – Precipitator Roof Replacement. **This project is for the replacement of Unit 8 Precipitator Roof.** Degradation to the current roof has resulted in water leakage throughout the Power Plant during seasonal rainfalls and snowmelts.

Bid documents were issued to 23 firms and six plan rooms. 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.

On August 19, 2020, two bids were received as shown in the report below.

BIDDER	LUMP SUM COST	SALES AND/OR USE TAXES INC.	EVALUATED BID PRICE
Henkel Construction Company Mason City IA	\$487,784.00	5,346.00	\$493,130.00
Hansen Company, Inc. Johnston, IA	\$662,750.00	\$1,820.00	\$664,570.00

The Engineer’s estimate for the demolition, removal, proper disposal and replacement of the existing roof, steel roof deck, and wall panels is \$250,000.

The approved FY 2019/20 budget has \$208,000 allocated for this project. The remaining \$42,000 will be transferred from the unused balance in the Unit 7 Turbine Generator overhaul project. This turbine generator project is complete and has \$300,000 in remaining funding available.

**Staff feels that additional time is needed to evaluate each bid in order to recommend an award that best meets the City’s needs. In addition, staff needs to determine the reasons why the bids are coming in significantly higher than the engineer’s estimate. If justified, staff will need to outline where the additional funding will come from when this is brought back to City council for award.**

**ALTERNATIVES:**

1. Accept the report of bids and delay award for the Unit 8 Precipitator Roof Replacement until power plant staff is able to perform a thorough review and determine a recommended company to award the contract to.
2. Award a contract to the apparent low bid.
3. Reject all bids and direct staff to rebid.

**MANAGER'S RECOMMENDED ACTION:**

Staff needs additional time to fully evaluate the bids before recommending action by the City Council. By choosing alternative No. 1, staff will have enough time to evaluate each bid to ensure the City receives these services at the best price.

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

BIDDER:	ITB 2020-114 UNIT 8 TURBINE GENERATOR OVERHAUL BID SUMMARY						
	HPI, LLC Houston, TX	ST Cotter Turbine Services, Inc Clearwater MN	GE, Windsor, CT	Blade Runner Turbomachinery Services, LLC Navasota, TX	MD&A Latham, NY	Power Plant Services Melrose Park, IL	Elliott Company Jeannette, PA
<b>BASE BID:</b>							
Supply all materials, labor, and equipment to perform steam turbine generator major overhaul including the replacement of parts, inspection and repairs necessary for Unit 8 Turbine Generator as specified in the Invitation to Bid 2020-114 documents for the following lump sum amounts of:	\$1,253,108.00	\$1,231,525.00	\$999,983.00	\$630,000.00	\$922,737.00	\$1,698,475.00	\$656,964.00
Sales and/or Use taxes included in the amount above	\$74,812.00	\$92,364.38	City to determine	N/A	\$43,679.00	\$0.00	\$0.00
<b>ALTERNATE No. 1:</b>							
Major Repair of First Stage Nozzle Parts:	\$11,208.00	\$21,555.00	\$32,265.00	\$9,800.00	\$12,626.00	\$19,360.00	\$30,274.00
<b>ALTERNATE No. 2:</b>							
Major Repair of First Stage Deflector:	\$18,761.00	\$23,400.00	\$15,305.00	\$13,500.00	\$28,910.00	\$22,000.00	\$18,600.00
<b>ALTERNATE No. 3:</b>							
Pull Turbine nozzle and perform major repair. Nozzle surface shall be machined to ensure proper fit:	\$62,302.00	\$69,300.00	\$10,189.00	\$32,000.00	\$52,596.00	\$95,985.00	\$22,450.00
<b>ALTERNATE No. 4:</b>							
Major Repair of Second thru Fifth Stage Diaphragms (Stationary Blades):	\$59,238.00	\$108,095.00	\$45,975.00	\$59,800.00	\$18,429/diaphragm	\$92,125.00	\$156,416.00
<b>ALTERNATE No. 6:</b>							
Provide Two (2) On-Site Turbine Specialist during Outage	Included in base bid	\$181,470.00	\$378,180.00	\$91,400.00	\$149,800 each	\$294,652.00	\$287,838.00
<b>ALTERNATE No. 7</b>							
Provide One (1) On-Site Generator Specialist during Outage	Included in Gen Testing Scope	\$52,550.00	See note 4	\$104,000.00	\$3,210/shift	\$198,462.00	\$91,000.00
<b>ALTERNATE No. 8:</b>							
Repowering and Boring (re-pour Babbitt) of Four Main Shaft Journal Bearings:	\$16,125.00	\$40,454.00	\$45,000.00	\$24,000.00	\$37,900.00	\$67,645.00	\$49,950.00
<b>ALTERNATE No. 9:</b>							
Turbine Rotor Low Speed Spin Balance	\$8,193.00	\$6,800.00	\$9,826.00	\$7,900.00	\$18,500.00	\$28,750.00	\$25,040.00
<b>ALTERNATE No. 10:</b>							
High Speed Turbine Lube Oil Flush	\$61,019.20	\$9,950.00	\$180,149.00	\$69,800.00	\$53,206.00	\$148,758.00	\$79,992.00
<b>ALTERNATE No. 11:</b>							
High Speed Turbine Balance Test	\$45,334.00	\$68,600.00	\$44,937.00	\$58,000.00	\$68,500.00	\$32,000.00	\$54,000.00
<b>GRAND TOTAL</b>	\$1,535,288.20	\$1,813,699.00	\$1,761,809.00	\$1,100,200.00	\$1,194,975.00	\$2,698,212.00	\$1,472,524.00
<b>Alternate Pricing Offered:</b>							
HPI - Base bid without ISO Phase Bus Duct Cleaning	\$1,133,145.00						
Option 1 Shop Blast and Inspect per Addenda 3 Question 50	\$32,639.00						
Option 2 Section 485961 D Line 5 Diaphragm Inserts	\$23,873.00						
GE Alternate No. 6A - Provide one on-site Turbine Specialist during outage			\$170,370.00				
GE Alternate No. 12 - Install new inserts for Diaphragm sealing			\$22,151.00				
GE Alternate No. 13 - Control valves seat replacement			\$68,935.00				
GE Alternate No. 14 - Replace main stop valve upper and lower PSH Bushings			\$23,209.00				
GE Alternate No. 15 - Dynamic Frequency Response Test			\$22,018.00				
GE Alternate No. 16 - Rotor Transportation			est. \$35,000				
GE Alternate No. 17 - Diaphragms/Nozzle shipping to shop for repair			cost+15%				
GE Alt #1-Base bid working 6x10 hr schedule			\$936,033.00				
GE Alt #2-Generator Test & Inspect			\$25,343.00				
GE Alt #2 - Startup Specialist (2daysx10 hr days)			\$20,448.00				
GE Alt #3-Exciter Specialist (4daysx10hr days)			\$30,672.00				
GE Alt #4 - Performance Bond			\$5,961.00				
Elliott Company Option for 1 Tech Rep							\$139,950.00
Alternate or Additional Pricing Proposed							