

COUNCIL ACTION FORM

SUBJECT: **ELECTRICAL MAINTENANCE SERVICES CONTRACT FOR
POWER PLANT– CHANGE ORDER NO. 2**

BACKGROUND:

On May 26, 2020, the Ames City Council approved a contract renewal with Tri-City Electric Company of Iowa, Davenport, IA, in the amount not to exceed \$140,000 (plus \$9,800 sales tax) to provide regular professional maintenance and repair to various circuit breakers, relays, and electrical circuits located in the Power Plant. This contract includes emergency service and regularly planned repairs and services during scheduled outages.

PRIOR ACTION

Change Order No. 1, for \$23,000 (plus \$1,610 sales tax), was issued to Tri-City Electric Company, approved by staff for additional electrical maintenance required.

THIS ACTION

The action being requested is to approve Change Order No. 2 to the Electrical Maintenance Services Contract. This change order will add an additional \$68,000 to the contract for FY 2020/21 (inclusive of sales tax), bringing the total contract amount, including sales tax, to \$242,410.

The project for the Unit 8 Generator Step-up Transformer (GSU) exhausted much more of the amount authorized in the contract than anticipated due to unforeseen mechanical repairs and bushing replacements. This change order will allow other projects planned this fiscal year to be completed under this contract. These include installing new plant lighting, repairing GT1 and GT2 step-up transformer oil leaks, and repairing load center breakers.

The funding for Change Order No. 2 will come from the Unit 8 Steam Turbine and Generator Electrical Maintenance account where there is \$80,000 budgeted for electrical repairs. Without this Change Order, the electrical maintenance contract funds will be exhausted before the end of the fiscal year and the remaining work will not be able to be performed.

ALTERNATIVES:

1. Approve Change Order No. 2 with Tri-City Electric Company of Iowa, Davenport, IA for additional electrical maintenance services in the not-to-exceed amount of \$68,000. This will bring the total FY 2020/21 contract value to a not-to-exceed amount of \$242,410.
2. Do not approve the change order and delay needed additional maintenance until the next fiscal year.

CITY MANAGER'S RECOMMENDED ACTION:

This work is necessary to properly maintain relays and circuit breakers and electrical circuits. This contract establishes rates for service and provides guaranteed availability. Funds will be expended only as work is required and in accordance with approved invoices.

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