

COUNCIL ACTION FORM

**SUBJECT: ELECTRICAL MAINTENANCE SERVICES CONTRACT FOR
POWER PLANT– CHANGE ORDER NO. 1**

BACKGROUND:

On June 14, 2022, the Ames City Council approved a contract renewal with Tri-City Electric Company of Iowa, Davenport, IA, in the amount not to exceed \$160,000 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.

In November, staff experienced alarms on Power Plant Unit #7 step-up transformer. This transformer is a crucial power generation infrastructure component. Tri-City was called in to determine the cause for the alarms, correct the problem, and test the transformer to ensure that when re-energizing the transformer no additional damage would be done.

These unexpected inspections and repairs on Unit 7 main step-up transformer depleted a large portion of annual contract funds that were to accomplish other work through the fiscal year. **Therefore, the City Council is being requested to approve Change Order No. 1 to the Electrical Maintenance Services Contract. This change order will add an additional \$85,000 to the contract for FY 2022/23 (inclusive of sales tax), bringing the total contract amount, including sales tax, to \$245,000.**

This change order will allow other projects that were planned for the remainder of the fiscal year to be completed under this contract. These include repairing load center breakers and performing maintenance and inspections on several transformers.

The funding for Change Order No. 1 will come from the Unit 8 Steam Turbine and Generator Electrical Maintenance account where there is \$85,000 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 this year.

ALTERNATIVES:

1. Approve Change Order No. 1 with Tri-City Electric Company of Iowa, Davenport, IA for additional electrical maintenance services in the not-to-exceed amount of \$85,000, for a revised total contract value of \$245,000.
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, 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.