

ITEM #:	<u>36</u>
DATE	<u>02-14-23</u>
DEPT	<u>Electric</u>

**COUNCIL ACTION FORM**

**SUBJECT: POWER PLANT MAINTENANCE SERVICES CONTRACT**

**BACKGROUND:**

On December 13, 2022, City Council approved preliminary plans and specifications for the Power Plant Maintenance Services Contract. The Electric Utility has two gas-fired, high-pressure steam generation units within the City's Power Plant, referred to as Units No. 7 and 8. These units require regular professional maintenance and repair. This consists of both emergency and planned repairs and service. Services include a large variety of boiler maintenance and repairs, structural steel, pump and piping work, and other miscellaneous mechanical Power Plant work. The repair of the equipment on these generation units requires professional trade crafts such as laborers, millwrights, and steam/pipe fitters.

**This contract is to provide power plant maintenance services for the period following final City Council approval of contract and performance bond from date of award through June 30, 2024.** The contract includes a provision that would allow the City to renew the contract for up to four additional one-year terms.

Bid documents were issued to seventeen companies and two 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 and the Iowa League of Cities.

On January 25, 2023, bids were received from six companies as shown on the attached bid summary. **Electric Services staff needs additional time to evaluate the bids to determine which one will provide these services at the lowest overall price.**

**ALTERNATIVES:**

1. Accept the report of bids and delay award for the Power Plant Maintenance Services Contract.
2. Award a contract to the apparent low bid.
3. Reject all bids and direct staff to rebid.

**CITY MANAGER'S RECOMMENDED ACTION:**

This work is necessary to ensure that a qualified professional firm will respond to both scheduled and emergency needs for boiler repair and maintenance and will also control costs by having established billing rates. Funds will be expended only as work is required and in accordance with approved invoices.

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 from a well-qualified bidder. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.