

COUNCIL ACTION FORM

SUBJECT: 2019-095 POWER PLANT STEAM TURBINE #7 PARTS FOR MECHANICAL DYNAMICS & ANALYSIS LLC - CONTRACT COMPLETION

BACKGROUND

On May 14, 2019, City Council awarded a contract to Mechanical Dynamics & Analysis LLC, Clifton Park, NY in the amount of \$114,613.67 and Argo TurboServe Corporation, Rutherford, NJ GE OEM part supply was awarded a contract in the amount of \$265,694.00.

There were three change orders to the Mechanical Dynamics & Analysis LLC contract.

Change Order #1: On September 27, 2019, was done to increase the purchase order by \$4,5841.85 (inclusive of Iowa sales tax) for the purchase of additional parts.

Change Order #2: On October 8, 2019, was done to increase the purchase order by \$20,487.60 (inclusive of Iowa sales tax) for the purchase of additional parts.

Change Order #3: On November 14, 2019, was done to increase the purchase order by \$253.30 (inclusive of Iowa sales tax) for the purchase of additional parts.

The total contract amount including these four change orders is \$139,936.42.

The engineer's estimate for anticipated parts was \$515,000. This was based on preliminary quotes received from General Electric, the turbine-generator original equipment manufacturer (OEM).

The material in the contract with Mechanical Dynamics & Analysis LLC has now been delivered and accepted. This council action form is to release the 5% retainage that was held per the contract terms and conditions. The contract with Argo is still under review.

ALTERNATIVES:

1. Accept completion of the contract for supplying the Power Plant Steam Turbine #7 Parts with Mechanical Dynamics & Analysis LLC. This Council action form is to release the 5% retainage that was held per the contract terms and conditions.
2. Delay acceptance of this project.

CITY MANAGER'S RECOMMENDED ACTION:

The contractor has delivered all of the equipment specified under the contract, and the City is obligated to make final payment.

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