

COUNCIL ACTION FORM

SUBJECT: **POWER PLANT BOILER MAINTENANCE
SERVICES CONTRACT RENEWAL**

BACKGROUND:

This contract consists of a variety of boiler and pressure vessel maintenance, including structural steel and pressure vessel repair. This consists of emergency service, as well as regularly planned repairs and services during scheduled outages.

On June 11, 2019, Council awarded a contract to Plibrico Company LLC., Omaha, NE, for the Boiler Maintenance Services Contract for Power Plant. These services were to be furnished as requested from award date through June 30, 2020, in an amount not-to-exceed \$250,000. This contract included the option for the City to renew in one-year increments for up to four additional years. Staff is recommending the renewal of the agreement for FY 2020/21.

Council should note that some of the rates charged by Plibrico Company LLC, will be increasing for the upcoming contract period. The average rate increase is 3.3% which applies to Boilermakers, Millwrights and Steamfitters labor classifications. Staff reviewed these increases and concluded that they are acceptable. This is the first renewal out of four maximums.

Staff recommends that these services continue to be outsourced on an annual renewable contract basis. The benefits of having a contract for these services in place include the following:

- 1) Consistency of work and quality from a single contractor.
- 2) Reduction in the City's exposure to market forces regarding prices and availability for labor, travel, and supplies in preparation for a scheduled outage.
- 3) Rapid contractor mobilization to start emergency repairs, thus reducing generation downtime.
- 4) Saved City staff time obtaining quotes, evaluating bids and preparing specifications and other procurement documentation.

The approved FY 2020/21 Power Plant operating budget for Electric Production includes \$215,000 for this contract. Invoices will be based on contract rates for time and materials for services actually received.

ALTERNATIVES:

1. Approve the contract renewal with Plibrico Company LLC., Omaha, NE, for the Boiler Maintenance Services Contract for Power Plant for the one-year period from July 1, 2020, through June 30, 2021, and approve the contract and bond. Total work in FY 2020/21 shall be an amount not to exceed \$215,000.
2. Do not renew the agreement and direct staff to seek new competitive bids.

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.

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

**CONTRACT PRICING 2019-123
BOILER MAINTENANCE SERVICES CONTRACT FY 2019-2020**

Contractor: Plibrico Company, LLC, Omaha, Nebraska				
LABOR: BOILERMAKER		Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)
Day Shift	Journeyman	\$ 89.94	\$ 134.06	\$ 191.90
	Foreman	\$ 94.28	\$ 140.43	\$ 200.30
	General Foreman	\$ 97.15	\$ 144.65	\$ 205.87
	Superintendent	\$ 104.41	\$ 155.29	\$ 219.89
Night Shift	Journeyman	\$ 90.30	\$ 134.44	\$ 192.30
	Foreman	\$ 94.64	\$ 140.81	\$ 200.70
	General Foreman	\$ 97.54	\$ 145.05	\$ 206.30
	Superintendent	\$ 104.77	\$ 155.67	\$ 220.30
LABOR: LABORER		Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)
Day Shift	Journeyman	See breakout of laborers below		
	Foreman			
	General Foreman			
	Superintendent			
Night Shift	Journeyman			
	Foreman			
	General Foreman			
	Superintendent			
LABOR: MILLWRIGHT		Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)
Day Shift	Journeyman	\$ 65.57	\$ 86.05	\$ 106.52
	Foreman	\$ 67.05	\$ 88.20	\$ 109.35
	General Foreman	\$ 70.01	\$ 92.51	\$ 115.01
	Superintendent	n/a	n/a	n/a
Night Shift	Journeyman	\$ 65.57	\$ 86.05	\$ 106.52
	Foreman	\$ 67.05	\$ 88.20	\$ 109.35
	General Foreman	\$ 70.01	\$ 92.51	\$ 115.01
	Superintendent	n/a	n/a	n/a
LABOR: STEAMFITTER		Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)
Day Shift	Journeyman	\$ 76.95	\$ 109.41	\$ 141.83
	Foreman	\$ 85.22	\$ 121.49	\$ 157.74
	General Foreman	\$ 87.98	\$ 125.52	\$ 163.04
	Superintendent	n/a	n/a	n/a
Night Shift	Journeyman	\$ 85.21	\$ 121.47	\$ 157.71
	Foreman	\$ 94.73	\$ 135.38	\$ 176.01
	General Foreman	\$ 97.91	\$ 140.03	\$ 182.14
	Superintendent	n/a	n/a	n/a
<u>Labor in Addition to Items on Bid Form:</u>				
Labor Bricklayers/Refractory Masons		Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)

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BOILER MAINTENANCE SERVICES CONTRACT FY 2019-2020**

Day/ Night Shift	Journeyman	\$ 64.07	\$ 83.97	\$ 103.87
	Foreman + 2 men	\$ 68.56	\$ 90.49	\$ 112.42
	Foreman + 3 men	\$ 69.31	\$ 91.58	\$ 113.85
	General Foreman	\$ 84.29	\$ 113.32	\$ 142.36
Labor: Laborers		Hourly Rate (ST) Hourly Rate (OT) Hourly Rate (DT)		
Day/ Night Shift	Journeyman	\$ 44.51	\$ 59.11	\$ 73.71
	Foreman	\$ 45.96	\$ 61.22	\$ 76.47
	General Foreman	\$ 46.69	\$ 62.27	\$ 77.85
TRAVEL & SUBSISTENCE				
Description		Rate		
Subsistence:				
Supervisors		\$125 per day		
Craft		\$75 per day		
Description		Rate		
Travel & Mileage:				
Supervisor travel		per Journeyman straight time rate		
Supervisor mileage		\$.75 per mile		
Craft travel		only if applicable at craft; journeyman rate		
Craft mileage		Boilermakers do not receive travel or mileage unless they are hauling tools or equipment to be used for maintenance contract services. All other crafts, if local (within 50 miles) do not receive travel or mileage. No craft receives mileage unless requested to haul tools or equipment in their person vehicle to be used for maintenance contract services.		
Description		Rate		
Deliveries:				
Travel		Laborer journeyman rate		
Mileage		\$1.00 per mile		
Description		Rate		
MISC.				
Safety supplies & equipment		Equipment rented Cost plus 10%		
Miscellaneous materials & consumables		Cost plus 10%; materials in stock at warehouse prices		
Equipment & Tools		Tools and equipment lists submitted including tools & equipment list no charge to COA		
Safety Equipment		Bid Form shows safety equipment		
OTHER				

**CONTRACT PRICING 2019-123
BOILER MAINTENANCE SERVICES CONTRACT FY 2019-2020**

Location & response time	Office in Omaha. NDE subcontractor if required. Emergency response 2-3 hours. Non-emergency response time is 4-6 hours
Proposed Subcontractors & scope of work	DBI, Inc. NDE subcontractor if required; Crane Rental and Rigging if required; cornerstone Insulation and Lagging if required; Hartford Steam Boiler, Authorized Inspector if required