

COUNCIL ACTION FORM

SUBJECT: NON-ASBESTOS INSULATION AND RELATED SERVICES AND SUPPLY CONTRACT FOR POWER PLANT

BACKGROUND:

On June 11, 2019, City Council approved preliminary plans and specifications for Non-Asbestos Insulation and Related Services and Supply Contract for Power Plant. This contract involves the removal, repair, and reinstallation of non-asbestos insulation at the Power Plant. It also includes installation of new insulation systems on pipes, ducts, equipment, vessels, boilers, and accessories throughout the Power Plant; repair and replacement of lagging systems; repair and replacement of jacketing systems and installation of new jacketing systems; fire-stopping insulation; and sound attenuation insulation.

The current contract for these services was bid in 2015 and there are no remaining renewal options. The Power Plant benefits from having a service contract with a firm that provides routine and emergency non-asbestos insulation services. The benefits include consistency of work and quality from a single contractor, reduction in the City's exposure to market forces regarding prices and availability for labor, travel, and supplies in preparation for a scheduled outage, rapid contractor mobilization to start emergency repairs, and saved City staff time obtaining quotes, evaluating bids, and preparing specifications and other procurement documentation.

Bid documents were issued to 11 firms and five 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 July 10, 2019, two bids were received as shown on the attached bid report.

The approved FY 2019/20 Power Plant operating budget includes \$80,000 for non-asbestos insulation and related services and supplies. Invoices will be based on contract rates for time and materials for services actually received.

ALTERNATIVES:

1. Award contract for Non-Asbestos Insulation and Related Services and Supply Contract for Power Plant to the low bidder, HTH Companies, Inc., Union, Missouri, for unit prices bid in a total amount not to exceed \$80,000.
2. Award the contract to the other bidder.
3. Reject all bids and purchase non-asbestos insulation services on an as-needed basis.

CITY MANAGER'S RECOMMENDED ACTION:

Non-asbestos insulation maintenance will be an ongoing cost. This contract will establish rates for service and provide for guaranteed availability, thereby setting in place known rates for service.

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



ITB 2019-148 Non-Asbestos Insulation and Related Services & Supply Contract for Power Plant

| | HTH Companies, Inc. Union Missouri | | | Total Insulation Mechn, Inc. Ames, Iowa | | |
|---|---------------------------------------|--------------------------------------|------------------|--|------------------|------------------|
| DESCRIPTION | Hourly Rate (ST) | Hourly Rate (OT) | Hourly Rate (DT) | Hourly Rate (ST) | Hourly Rate (OT) | Hourly Rate (DT) |
| Supervisor | \$43.00 | \$62.00 | \$62.00 | \$70.00 | \$105.00 | \$140.00 |
| Apprentice | \$32.00 | \$45.00 | \$45.00 | \$60.00 | \$90.00 | \$120.00 |
| Foreman | \$43.00 | \$62.00 | \$62.00 | \$70.00 | \$105.00 | \$140.00 |
| Journeyman | \$38.00 | \$55.00 | \$55.00 | \$70.00 | \$105.00 | \$40.00 |
| Technician | \$32.00 | \$45.00 | \$45.00 | | | |
| | | Overtime after 8 hours or on weekend | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Subsistence: | \$85 per overnight | | | 0 | | |
| Travel: | labor hourly rates | | | 0 | | |
| Mileage: | lined through on bid form | | | 0 | | |
| Materials | Cost + 7% | | | Cost + 30% | | |
| Misc. Tools & Equipment Rates: | | | | | | |
| | Description | | Rate per U/M | Description | | Rate per U/M |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Proposed Price Increase for Renewal Periods: | | | | | | |
| Labor Rates: | 2% per year | | | not shown | | |
| Travel & Subsistence: | 2% per year | | | 0% | | |