

COUNCIL ACTION FORM

SUBJECT: BOILER TUBE SPRAY COATING AND RELATED SERVICES AND SUPPLY CONTRACT FOR POWER PLANT

BACKGROUND:

This contract is for a contractor to provide and install new boiler tube coating and surface preparation at the City's Power Plant.

The Power Plant benefits from having an ongoing service contract with a firm that provides routine and emergency boiler tube spray coating services. This process reduces the City's exposure to market forces regarding prices and availability for labor, travel, and supplies for these services. By having a contract in place, City staff will also save considerable time obtaining quotes, evaluating proposals and preparing specifications and other procurement documentation.

Funding in the amount of \$250,000 is available from the approved FY2014/15 Power Plant operating budget which includes \$860,000 for Units #7 and #8 Boiler Maintenance. Invoices will be based on contract rates for time and materials for services that are actually received.

ALTERNATIVES:

1. Approve preliminary plans and specifications for Boiler Tube Spray Coating and Related Services and Supplies Contract, and set February 11, 2015, as the bid due date and February 24, 2015, as the date of public hearing and award of contract.
2. Purchase scaffolding services on an as-needed basis.

MANAGER'S RECOMMENDED ACTION:

This contract is needed to carry out emergency and routine boiler tube spray coating services at the Power Plant to maintain protection to the tube replaced in 2013. Failure to maintain the costing will result in increased wear and early tube deterioration. The 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.