

COUNCIL ACTION FORM

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

BACKGROUND:

On January 13, 2015, City Council approved preliminary plans and specifications for a Boiler Tube Spray Coating and Related Services and Supplies Contract. This contract is for a contractor to provide surface preparation and install new boiler tube coating at the City's Power Plant for the period from the award date through June 30, 2015. This will enable this and future renewals to coincide with the City's fiscal year. 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 five companies. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published in the Ames Tribune. The bid was also sent to one plan room.

On February 11, 2015, one bid was received from Integrated Global Services, Inc. of Richmond, Virginia. Details of the bid are shown below:

Integrated Global Services, Inc., Richmond, VA			
DESCRIPTION	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)
Supervisor:	\$65.00	\$97.50	\$130.00
Apprentice:	\$39.00	\$58.50	\$78.00
Foreman:	\$62.00	\$93.00	\$124.00
Journeyman:	N/A	N/A	N/A
Technician:	\$57.00	\$85.50	\$114.00
Safety	\$65.00	\$97.50	\$130.00
Project Manager	\$70.00	\$105.00	\$140.00
Subsistence:	\$100.00 per person per day		
Travel:	Cost Plus 15%		
Mileage:	Cost Plus 15%		
Material Costs:	See below		
MISCELLANEOUS TOOLS AND EQUIPMENT RATES:			
DESCRIPTION	Rate per U/M		
Large Air Compressor	\$795/day, \$2,200/wk, \$5,400/mo		
Sandblasting Rig	\$125/day, \$375/wk, \$940/mo		
Metal Spray Rig	\$300/day, \$900/wk, \$2,250/mo		
Proposed Price Increase for Renewal Periods:			
Labor Rates:	2.5% per year		
Travel & Subsistence:	2.5% per year		

Staff feels that additional time is needed to review this bid before a recommendation is made to Council. This time is needed in order to determine if the bid meets the technical requirements specified in the bidding document.

ALTERNATIVES:

1. Accept the report of bids and delay award for the Boiler Tube Spray Coating and Related Services and Supplies Contract
2. Reject the bid and direct staff to rebid.

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 tubes replaced in 2013. Failure to maintain the coating 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. **By choosing Alternative No. 1, staff will have adequate time to evaluate the bid and ensure that it meets the power plant's technical requirements.**

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