

COUNCIL ACTION FORM

SUBJECT: POWER PLANT CONTRACT RENEWAL FOR SPECIALIZED WET/DRY VACUUM, HYDRO BLAST, AND RELATED CLEANING SERVICES

BACKGROUND:

Electric Services has two coal-fired, high-pressure steam generation units within the Power Plant referred to as Unit No. 7 and Unit No. 8. These units require regular professional maintenance and repair. This consists of emergency service, as well as regularly planned repairs and services during scheduled outages. The cleaning and special preparation of the boiler surfaces on these generation units requires professional tradecrafts and maintenance experts. The units operate under extreme environmental conditions which result in slag and other industrial debris coating the boiler and other Plant equipment surfaces.

Prior to repair and maintenance work being done, it is necessary to have the surfaces professionally cleaned using high-pressure water jets and vacuums. In order to clean the surfaces, outside contractors are used who can provide mobile high pressure generator trucks with hoses and lances to cut through and wash away the industrial debris. These same firms have the industrial vacuum trucks that can accumulate and contain this industrial debris for proper disposal. This contract is to provide specialized wet/dry vacuum, hydro blast, and related cleaning services for the Power Plant.

On June 23, 2009, Council awarded a contract to Bodine Services of Clinton, LLC, Clinton, Iowa, for the specialized wet/dry vacuum, hydroblast and related cleaning services to be furnished as requested from July 1, 2009, through June 30, 2010, in an amount not-to-exceed \$48,000. It should be noted that a cleaning contract with W-S Industrial was approved by the City Council on April 12, 2011. It is important to point out that Bodine and W-S Industrial do not provide the same services to the City.

This contract has the option for the City to renew in one-year increments for up to four additional years. Electric Services staff recommends renewing the agreement for FY 2012. Hourly rates charged by Bodine Services will remain unchanged for the coming year. The Electric Production operating budget includes \$49,500 for miscellaneous services to be performed under this contract. Payments will be calculated on unit prices bid and actual work performed.

ALTERNATIVES:

1. Approve the contract renewal with Bodine Services of Clinton, LLC, Clinton, Iowa, for the specialized wet/dry vacuum, hydroblast and related cleaning services for the one-year period from July 1, 2011, through June 30, 2012, and approve the

firm's contract and bond. Actual payments will be based on unit prices bid and actual work performed in an amount not to exceed \$49,500.00.

2. Do not renew the agreement and direct staff to seek new competitive bids.

MANAGER'S RECOMMENDED ACTION:

This work is necessary to properly maintain the Power Plant equipment and to carry out emergency and scheduled repairs. This contract allows the Power Plant to have reliable contractors available to perform these specialized cleaning services on very short notice in the event of an emergency repair. It is also important to control the costs of these services to the extent possible.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the contract renewal with Bodine Services of Clinton, LLC, Clinton, Iowa, for the specialized wet/dry vacuum, hydroblast and related cleaning services for the one-year period from July 1, 2011, through June 30, 2012, and approving the firm's contract and bond.