

COUNCIL ACTION FORM

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

BACKGROUND:

On April 10, 2018, City Council approved preliminary plans and specifications for Specialized Wet Dry Vacuum, Hydro Blast, and Related Cleaning Services Contract. The Power Plant's two gas-fired, high-pressure steam generation units are referred to as Units No. 7 and 8. These units require regular professional maintenance and repair. This consists of emergency service, as well as regularly scheduled 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. Both units operate under environmental conditions with high heat and high pressure, resulting in slag and other industrial debris coating the boiler and other plant equipment surfaces. Prior to repair and maintenance work, 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 coatings. These same firms have the industrial vacuum trucks that can accumulate and contain this industrial debris for proper disposal. The goal of this contract is to meet these requirements in the most economical manner.

This contract is to provide specialized industrial cleaning for the Power Plant for the period of July 1, 2018 through June 30, 2019. 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 twenty-five companies and three 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 May 9, 2018, bids were received from four companies as shown on the attached Bid Summary. Upon the initial evaluation, staff determined that the bid submitted from W.S. Industrial Services, Inc., was non-responsive because it did not contain bid security along with the bid. This is a mandatory requirement. As a result, three bids remained for further evaluation.

The attached Base Case Scenario shows a cost evaluation based on a sampling of personnel, equipment, and associated travel/per diem that the Power Plant requires for

successful fulfillment for typical work scenarios performed on this service contract. The scenarios are: five trips of one day durations, one trip of two day duration, and one trip of three day duration.

Based on the summation of all of the typical work scenarios shown on the Base Case Scenario attachment, the bid submitted by HTH Companies, Inc., Union, MO, is the lowest cost.

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 FY2018/19 Power Plant operating budget includes \$120,000 for miscellaneous services to be performed under this contract. Invoices will be based on contract rates for time and materials for services actually received.

ALTERNATIVES:

1. Award the contract for the Specialized Wet Dry Vacuum, Hydro Blast, and Related Cleaning Services contract to HTH Companies, Inc., Union, MO, for hourly rates and unit prices bid, in an amount not-to-exceed \$120,000.


This contract includes a provision that would allow the City to renew the contract for up to four additional one-year terms at stated rates.

2. Award the contract to one of the other bidders.
3. Reject all bids and purchase specialized wet/dry vacuum, hydro blast, and related cleaning services on an as-needed basis.

MANAGER'S RECOMMENDED ACTION:

This work is necessary to ensure that a qualified professional firm will respond to both scheduled and emergency needs for these specialized cleaning services, 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.

BASE CASE SCENARIO

| | | | |
|---|---------------------------------|--|--------------------------------|
|  | HTH Companies, Inc Union, MO | North American Industrial Services, Clinton, IA | Hydro-Klean, Des Moines, IA |
| 5 Each - 1 Day Trips | Total | Total | Total |
| Labor - On Site | \$438.00 | \$366.00 | \$570.00 |
| Labor - Travel | \$165.71 | \$381.25 | \$110.87 |
| Vac Truck - On Site | \$540.00 | \$480.00 | \$660.00 |
| Vac truck - Travel | \$204.30 | \$500.00 | \$128.37 |
| Vac Truck - Fuel Surcharge | \$0.00 | \$0.00 | \$0.00 |
| Support Truck - On Site | \$0.00 | \$30.00 | \$120.00 |
| Support Truck - Travel | \$0.00 | \$31.25 | \$23.34 |
| Support Truck - Fuel Surcharge | \$0.00 | \$0.00 | \$0.00 |
| Hose | \$250.00 | \$300.00 | \$400.00 |
| 1 Day Trip Total: | \$1,598.01 | \$2,088.50 | \$2,012.58 |
| 5 Each - 1 Day Trip Total: | \$7,990.05 | \$10,442.50 | \$10,062.90 |

| | | | |
|--------------------------------|-------------------|-------------------|-------------------|
| 1 Each - 2 Day Trip | Total | Total | Total |
| Labor - On Site | \$876.00 | \$732.00 | \$1,140.00 |
| Labor - Travel | \$165.71 | \$381.25 | \$110.87 |
| Per Diem | \$150.00 | \$240.00 | \$0.00 |
| Vac Truck - On Site | \$1,080.00 | \$960.00 | \$1,320.00 |
| Vac truck - Travel | \$204.30 | \$500.00 | \$128.37 |
| Vac Truck - Fuel Surcharge | \$0.00 | \$0.00 | \$0.00 |
| Support Truck - On Site | \$0.00 | \$60.00 | \$240.00 |
| Support Truck - Travel | \$0.00 | \$31.25 | \$23.34 |
| Support Truck - Fuel Surcharge | \$0.00 | \$0.00 | \$0.00 |
| Hose | \$250.00 | \$300.00 | \$400.00 |
| 2 Day Trip Total: | \$2,726.01 | \$3,204.50 | \$3,362.58 |

| | | | |
|--------------------------------|--------------------|--------------------|--------------------|
| 1 Each - 3 Day Trip | Total | Total | Total |
| Labor - On Site | \$1,314.00 | \$1,098.00 | \$1,710.00 |
| Labor - Travel | \$165.71 | \$381.25 | \$110.87 |
| Per Diem | \$300.00 | \$480.00 | \$0.00 |
| Vac Truck - On Site | \$1,620.00 | \$960.00 | \$1,980.00 |
| Vac truck - Travel | \$204.30 | \$500.00 | \$128.37 |
| Vac Truck - Fuel Surcharge | \$0.00 | \$0.00 | \$0.00 |
| Support Truck - On Site | \$0.00 | \$90.00 | \$360.00 |
| Support Truck - Travel | \$0.00 | \$31.25 | \$23.34 |
| Support Truck - Fuel Surcharge | \$0.00 | \$0.00 | \$0.00 |
| Hose | \$250.00 | \$300.00 | \$400.00 |
| 3 Day Trip Total: | \$3,854.01 | \$3,840.50 | \$4,712.58 |
| GRAND TOTAL: | \$14,570.07 | \$17,487.50 | \$18,138.06 |



2018-145 SPECIALIZED WET DRY VACUUM, HYDRO BLAST, AND RELATED CLEANING SERVICES CONTRACT FOR POWER PLANT BID SUMMARY

**HTH Companies, Inc
Union, MO**

**North American Industrial
Services, Clinton, IA**

**Hydro-Klean
Des Moines, IA**

**W.S. Industrial Services, Inc.
Council Bluffs, IA**

| DESCRIPTION | Unit | Rate/Bid Amount | Rate/Bid Amount | Rate/Bid Amount | Rate/Bid Amount |
|---|----------|-----------------|-----------------|---------------------|--|
| Wet Dry Vacuum Service: | | | | | |
| Vac truck | Hour | \$90.00 | \$80.00 | \$110.00 | Bid is non-responsive. Did not supply bid security with bid. |
| Support truck | Hour | \$0.00 | \$5.00 | \$20.00 | |
| Hose | Foot | \$1.25 | \$1.50 | \$2.00 | |
| Operator / Lead service tech | Hour | \$40.00 | \$32.00 | \$50.00 | |
| Operator / Lead service tech (OT) | Hour | \$54.00 | \$40.00 | \$65.00 | |
| Service tech | Hour | \$33.00 | \$29.00 | \$45.00 | |
| Service tech (OT) | Hour | \$45.00 | \$36.25 | \$60.00 | |
| Hydro Blast Service: | | | | | |
| Hydro blast pump | Hour | \$137.50 | \$115.00 | \$170.00 | |
| Industrial hydroblaster | Hour | n/a | \$115.00 | n/a | |
| Support truck | Day | \$0.00 | \$4.25 | \$200.00 | |
| Operator / Lead service tech | Hour | \$40.00 | \$32.00 | \$50.00 | |
| Operator / Lead service tech (OT) | Hour | \$54.00 | \$40.00 | \$65.00 | |
| Operator / Lead service tech (OD) | Hour | \$54.00 | \$48.00 | \$80.00 | |
| Lead service tech | Hour | \$54.00 | \$29.00 | \$65.00 | |
| Service tech | Hour | \$33.00 | \$29.00 | \$45.00 | |
| Service tech (OT) | Hour | \$45.00 | \$36.25 | \$60.00 | |
| Service tech (OD) | Hour | \$45.00 | \$43.50 | \$75.00 | |
| Miscellaneous: | | | | | |
| Power washer | Day | \$100.00 | \$250.00 | \$250.00 | |
| Vacuum pipe trailer | Day | \$100.00 | \$0.00 | \$250.00 | |
| PPE kit | Each | \$0.00 | \$24.00 | \$50.00 | |
| Confined space entry | Each | \$0.00 | \$35.00 | \$125.00 | |
| Truck mounted water jet | Each | cost plus 10% | \$880.00 | \$350.00 | |
| Truck wash out | Each | \$200.00 | \$0.00 | \$350.00 | |
| Liquid vacuum tanker truck | Day | cost plus 10% | \$880.00 | \$750.00 | |
| Incident spill response trailer | Day | \$500.00 | \$100.00 | \$250.00 | |
| 55 gal steel open top drum | Drum | cost plus 10% | \$100.00 | \$75.00 | |
| Sanitizer | Each | \$0.00 | \$5.00 | \$60.00/gal | |
| Waste Disposal | Drum | cost plus 10% | cost plus 10% | \$150.00 (estimate) | |
| Consumables: Cost Plus | | 10% | 10% | 15% | |
| Proposed price increases for <u>renewal periods</u> (if applicable): | | | | | |
| Labor Rates: | Per year | 2% | 2% | 2% | |
| Travel & Subsistence | Per year | 2% | 2% | 2% | |
| Equipment & Tools | Per year | 2% | 2% | 2% | |