

COUNCIL ACTION FORM

SUBJECT: BOILER TUBE SPRAY COATING AND RELATED SERVICES AND SUPPLIES 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. This coating has been found effective against the corrosive wear on the boiler tubes brought on by burning Refuse Derived Fuel. **Portions of the boiler tube walls do not have shop-applied coating and require routine spray coatings to maintain protection. This contract addresses that routine application of protective coating. Failure to maintain the coating will cause the boiler tubes to wear much more quickly, resulting in premature failure and costly repairs.**

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 \$435,000 is available from the approved FY 2022/23 Power Plant operating budget. 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 July 13, 2022, as the bid due date and July 26, 2022, as the date of public hearing and award of contract.
2. Purchase boiler tube spray coating services on an as-needed basis.

CITY 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 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.