

COUNCIL ACTION FORM

**SUBJECT: SCAFFOLDING AND RELATED SERVICES AND SUPPLY
CONTRACT FOR POWER PLANT – CHANGE ORDER #1**

BACKGROUND:

On June 14, 2022, the City Council approved a contract renewal with HTH Companies, Inc. in the amount of \$65,000 to provide and install scaffolding, bracing, and fall protection when needed at the City’s Power Plant. **It is important to note that the contract amount is not for a specific project, but rather is staff’s best estimate of amount of work that might be performed in a given year. Rather than entering into a lump sum contract, work is charged to the City based on the actual time and materials used for a specific task.**

Two large repair projects at the Power Plant have increased in scope since the scaffolding budget was approved. One large project is scaffolding the inside of Unit 8 boiler so the inside of the water wall tubes can be accessed. Normally the scaffold is built on all four walls and goes up approximately 50 feet to inspect and repair the Inconel coating that protects the boiler tubes. Staff has determined that an additional area of the boiler approximately 100 feet high needs to be accessed and repairs need to be performed.

The second large project is providing access to the outside of the Unit 8 Electrostatic Precipitator (ESP) to repair the insulation and lagging. The lagging suffered damage during a recent storm and access to the area is very difficult.

The action being requested is to approve Change Order No. 1 to the Scaffolding and Related Services and Supply Contract. This change order will add an additional \$55,000 to the current contract for FY 2022/23, allowing for additional work to be performed before the end of the fiscal year. This will bring the total contract amount to \$120,000.

Actual payments are calculated on unit prices and work. **Additional funds authorized in this change order will only be spent on actual time and materials used to perform the work.** The additional \$55,000 will come from both Unit 8 and Unit 7 boiler maintenance accounts where funds have been budgeted for routine repairs. Without this Change Order, the scaffolding contract funds will be exhausted before the end of the fiscal year.

ALTERNATIVES:

1. Approve Change Order No. 1 to HTH Companies, Inc. in the amount of \$55,000 for additional scaffolding, bracing and fall protection, increasing the total contract amount to \$120,000. All labor and materials will be performed and invoiced on a time and material basis according to rates, terms, stipulations, and conditions specified in the original contract.
2. Do not approve the requested change order.

CITY MANAGER'S RECOMMENDED ACTION:

Having a scaffolding contract in place allows Power Plant maintenance projects to be completed more quickly, more safely, and more cost effective. This Change Order will provide the opportunity to accomplish two substantial projects that were not envisioned at the time the original contract was agreed to. All labor and materials will be performed and invoiced on a time and material basis according to rates, terms, stipulations, and conditions specified in the original contract.

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