

ITEM #: 28
DATE: 05-14-24
DEPT: ELEC

COUNCIL ACTION FORM

SUBJECT: ASBESTOS REMEDIATION AND RELATED SERVICES AND SUPPLY CONTRACT

BACKGROUND:

This contract involves the removal and proper disposal of asbestos insulation at the Power Plant, including Units 5 and 6 (both retired) and operating units 7 and 8. The two retired units and Unit 7 were primarily insulated with asbestos type insulation when constructed. Unit 8 is considered “asbestos free.” In addition, there are other areas located in the Power Plant that have been insulated with asbestos type insulation, such as some of the building insulation and building heating system.

The current contract for these services was bid in 2019 and there are no remaining renewal options. **These services include removal and disposal of asbestos containing insulation, and the remediation/encapsulation of identified areas or where an encapsulated surface is damaged. Asbestos must be removed and disposed of per State and Federal regulations before retired equipment can be physically removed. In addition, asbestos should be removed or encapsulated where employees will be working.**

The Power Plant benefits from having a service contract with a firm that provides routine and emergency asbestos remediation services. The benefits include consistency of work and quality from a single contractor, reduction in the City’s exposure to market forces regarding prices and availability for labor, travel, and supplies in preparation for a scheduled outage, rapid contractor mobilization to start emergency repairs, and saved City staff time obtaining quotes, evaluating bids, and preparing specifications and other procurement documentation.

On March 25, 2024, an Invitation to Bid was posted on AmesBids by the City's Purchasing Division. On April 19, 2024, one bid was received from Earth Services & Abatement (ESA) LLC., Des Moines, Iowa. **Staff reviewed the bid and determined that the bid from Earth Services & Abatement of Des Moines, Iowa, is acceptable. ESA has been working with the City of Ames Power Plant for the last 15 years and has never had a safety incident or OSHA violation while on site. The prices for FY24/25 increased 3% from the previous contract.** The approved FY 2024/25 Power Plant operating budget includes \$150,000 for asbestos removal. Invoices will be based on contract rates for time and materials for services actually received.

ALTERNATIVES:

1. Approve the contract with Earth Services & Abatement for Asbestos Remediation and Related Services and Supply Contract at the Power Plant for the one-year period from July 1, 2024 through June 30, 2025 in an amount not-to- exceed \$150,000
2. Reject the bid and instruct staff to seek new competitive bids.

CITY MANAGER'S RECOMMENDED ACTION:

Asbestos removal and encapsulation must be performed by an asbestos contractor that comes with a clean safety record and experience that proves the contractor can be trusted and relied on to perform remediation correctly and safely. Removal and encapsulation will be an on-going cost, since most of the old equipment at the Power Plant was insulated with asbestos. This 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.

ATTACHMENT(S):

[Asbestos Remediation Contract award.xlsx](#)