

ITEM #: 17
DATE: 06-11-24
DEPT: ELEC

COUNCIL ACTION FORM

SUBJECT: NON-ASBESTOS INSULATION AND RELATED SERVICES AND SUPPLY CONTRACT

BACKGROUND:

This contract involves the removal, repair, and reinstallation of non-asbestos insulation at the Power Plant. It also includes 1) installation of new insulation systems on pipes, ducts, equipment, vessels, boilers, and accessories throughout the Power Plant; 2) repair and replacement of lagging systems; repair and replacement of jacketing systems; and installation of new jacketing systems; and 3) fire-stopping insulation and sound attenuation insulation.

On March 25, 2024, an Invitation to Bid was posted to AmesBids. On April 19, 2024, three bids were received as shown on the attached bid report.

Electric Staff completed evaluation of the bids. The bids include costs for a variety of trade workers to conduct work. To evaluate these bids, staff compared each firm's bid costs using a typical insulation project scenario and applying the hourly rates and unit prices bid. Staff determined that the apparent low bid from HTH Companies Inc., of Union, MO, is acceptable. (See Attachment)

The contract rates in the renewal period are increased by 2% over the current period pricing for both Labor and Travel & Subsistence. The FY 2023/24 rates are shown on Attachment 1. The benefits of having a contract for these services in place include the following:

- 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, thus reducing generation downtime.
- Saved City staff time obtaining quotes, evaluating bids and preparing specifications and other procurement documentation.

The approved FY 2024/25 Power Plant operating budget includes \$120,000 for this contract. Invoices will be based on contract rates for time and materials for services actually received.

ALTERNATIVES:

1. Approve the contract with HTH Companies, Inc., of Union, MO, for the Non-Asbestos Insulation 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 \$120,000.
2. Award the contract to one of the other two bidders.
3. Reject the bid and instruct staff to seek new competitive bids.

CITY MANAGER'S RECOMMENDED ACTION:

This contract is needed to carry out emergency and routine non-asbestos insulation services at the Power Plant. 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.

ATTACHMENT(S):

[Non-Asbestos Insulation CAF pricing.xlsx](#)