

ITEM #:	<u>21</u>
DATE:	<u>04-22-25</u>
DEPT:	<u>ELEC</u>

### **COUNCIL ACTION FORM**

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

#### **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 June 11, 2024, Council awarded a contract to HTH Companies Inc., Union, MO, for the Non-Asbestos Insulation and Related Services and Supply Contract at the Power Plant. This contract included the option for the City to renew in one-year increments for up to four additional years. This is the first renewal out of four possible renewal periods.

**The City Council should note that the rates which will be charged by HTH Companies Inc. will increase 2%, as indicated on their bid document.**

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 2025/26 Power Plant operating budget includes \$150,000 for this contract. Invoices will be based on contract rates for time and materials for services actually received.**

#### **ALTERNATIVES:**

1. Approve the contract renewal 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, 2025 through June 30, 2026 in an amount not-to-exceed \$150,000.
2. Do not renew the contract 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 services.** Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

**ATTACHMENT(S):**

[Non Asbestos 25-26 rates.pdf](#)