

ITEM#: 19
DATE: 05-23-23
DEPT: ELECTRIC

COUNCIL ACTION FORM

SUBJECT: NON-ASBESTOS INSULATION AND RELATED SERVICES AND SUPPLY CONTRACT FOR POWER PLANT – CONTRACT RENEWAL

BACKGROUND:

This contract involves the removal, repair, and reinstallation of non-asbestos insulation of all types used at the City’s Power Plant.

On July 23, 2019, City Council awarded a contract to HTH Companies, Inc., Union, Missouri, for the Non-Asbestos Insulation and Related Services and Supplies Contract Power Plant. This contract included the option for the City to renew in one-year increments for up to four additional years. **The period from July 1, 2023 through June 30, 2024, is the fourth of the four renewal periods subject to Council approval of funding for non-asbestos insulation services.**

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:

- 1) Consistency of work and quality from a single contractor.
- 2) Reduction in the City’s exposure to market forces regarding prices and availability for labor, travel, and supplies in preparation for a scheduled outage.
- 3) Rapid contractor mobilization to start emergency repairs, thus reducing generation downtime.
- 4) Saved City staff time obtaining quotes, evaluating bids and preparing specifications and other procurement documentation.

The approved FY 2023/24 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. a. Approve a contract renewal with HTH Companies, Inc., Union, Missouri, for the Non-Asbestos Insulation and Related Services and Supplies Contract for the one-year period from July 1, 2023, through June 30, 2024, in an amount not-to-exceed \$120,000.

b. Approve a performance bond in the amount of \$120,000.
2. Do not renew the agreement 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.



**ITB 2019-148 Non-Asbestos Insulation and
Related Services & Supply Contract for Power
Plant (Renewal July 1, 2020 through June 30,
2021)**

Contractor: HTH Companies, Inc. , Union Missouri

DESCRIPTION	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)
Supervisor	\$43.86	\$63.24	\$63.24
Apprentice	\$32.64	\$45.90	\$45.90
Foreman	\$43.86	\$63.24	\$63.24
Journeyman	\$38.76	\$56.10	\$56.10
Technician	\$32.64	\$45.90	\$45.90
		Overtime after 8 hours or on weekend	
Subsistence:	\$86.70 per overnight		
Travel:	labor hourly rates		
Mileage:	lined through on bid form		
Materials	Cost + 7%		
Proposed Price Increase for Renewal Periods:			
Labor Rates:	2% per year		
Travel & Subsistence:	2% per year		



**ITB 2019-148 Non-Asbestos Insulation and
Related Services & Supply Contract for Power
Plant (Renewal July 1, 2021 through June 30,
2022)**

Contractor: HTH Companies, Inc. , Union Missouri

DESCRIPTION	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)
Supervisor	\$44.74	\$64.50	\$64.50
Apprentice	\$33.29	\$46.82	\$46.82
Foreman	\$44.74	\$64.50	\$64.50
Journeyman	\$39.54	\$57.22	\$57.22
Technician	\$33.29	\$46.82	\$46.82
		Overtime after 8 hours or on weekend	
Subsistence:	\$88.43 per overnight		
Travel:	labor hourly rates		
Mileage:	lined through on bid form		
Materials	Cost + 7%		
Proposed Price Increase for Renewal Periods:			
Labor Rates:	2% per year		
Travel & Subsistence:	2% per year		



**ITB 2019-148 Non-Asbestos Insulation and
Related Services & Supply Contract for Power
Plant (Renewal July 1, 2022 through June 30,
2023)**

Contractor: HTH Companies, Inc. , Union Missouri

DESCRIPTION	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)
Supervisor	\$45.63	\$65.79	\$65.79
Apprentice	\$33.96	\$47.75	\$47.75
Foreman	\$45.63	\$65.79	\$65.79
Journeyman	\$40.33	\$58.37	\$58.37
Technician	\$33.96	\$47.75	\$47.75
		Overtime after 8 hours or on weekend	
Subsistence:	\$90.20 per overnight		
Travel:	labor hourly rates		
Mileage:	lined through on bid form		
Materials	Cost + 7%		
Proposed Price Increase for Renewal Periods:			
Labor Rates:	2% per year		
Travel & Subsistence:	2% per year		



**ITB 2019-148 Non-Asbestos Insulation and
Related Services & Supply Contract for Power
Plant (Renewal July 1, 2023 through June 30,
2024)**

Contractor: HTH Companies, Inc. , Union, Missouri

DESCRIPTION	Hourly Rate (ST)	Hourly Rate (OT)	Hourly Rate (DT)
Supervisor	\$46.54	\$67.11	\$67.11
Apprentice	\$34.64	\$48.71	\$48.71
Foreman	\$46.54	\$67.11	\$67.11
Journeyman	\$41.13	\$59.53	\$59.53
Technician	\$34.64	\$48.71	\$48.71
		Overtime after 8 hours or on weekend	
Subsistence:	\$92.00 per overnight		
Travel:	labor hourly rates		
Mileage:	lined through on bid form		
Materials	Cost + 7%		
Proposed Price Increase for Renewal Periods:			
Labor Rates:	2% per year		
Travel & Subsistence:	2% per year		