

ITEM #:	19
DATE:	05-12-26
DEPT:	ELEC

COUNCIL ACTION FORM

SUBJECT: CHEMICAL TREATMENT PROGRAM FOR POWER PLANT

BACKGROUND:

This contract is for the chemicals and services for chemical treatment of the boilers, cooling towers, coal yard, and ash ponds at the Power Plant. The scope of work includes supplying a range of chemicals, technical expertise in boiler chemistry and analysis, the ability to train Power Plant staff in maintaining the system, and detailed monitoring and analysis of the boilers to ensure they are protected from damage. All of this is essential for the operation of the Power Plant.

On May 13, 2025, Ames City Council awarded a contract to ChemTreat, Inc., of Glen Allen, VA, for the Chemical Treatment Program Contract for Power Plant. The contract includes an option that would allow the City to renew the contract for up to four additional one-year terms. This is the first of four additional renewal contract periods.

Based on projected overall usage of the chemicals and run time of the equipment, the proposed FY 2026/27 contract is expected to increase actual costs by approximately 4%. Electric Services staff determined the proposed increases of the various chemicals to be acceptable.

The benefits of having a contract for these services in place include the following:

1. Reliability in delivery and quality supplies from a single contractor.
2. Reduction in the City's exposure to market forces regarding prices and availability of supplies.
3. Rapid contractor mobilization to receive materials on time.
4. Saved City staff time obtaining quotes, evaluating bids and preparing specifications and other procurement documentation.

The approved FY 2026/27 Electric Production operating budget includes \$398,000. Payments will be based on unit prices bid and the chemicals and services actually delivered by the contractor and accepted by the Power Plant.

ALTERNATIVES:

1. Award a contract to ChemTreat, Inc., Glen Allen, VA, for Chemical Treatment Program for the one-year period from July 1, 2026 through June 30, 2027 in an amount not-to-exceed \$398,000.
2. Reject the proposal and instruct staff to seek new competitive bids.

CITY MANAGER'S RECOMMENDED ACTION:

The chemicals and services received under this contract are critical to optimal operation of the Power Plant. Competent treatment of the water in the boiler and cooling tower systems is essential to keeping the Plant in top operating condition. It is important to receive chemicals and related treatment services for the Power Plant at the lowest possible cost consistent with the quality required to maintain Plant operations. It is also necessary to lock in prices and accountability with key contractors. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.