



Discussion, Consideration, & Possible Action on
the City of Blanco Contracting with Inframark
to Operate the City's Water Treatment and
Wastewater Treatment Plants.

Kelly Kuenstler

January 11, 2022

Blanco City Council Meeting

Timeline

Activity	Date
Issue RFQ	October 06, 2021
Mandatory Pre-Submission Conference	October 29, 2021
Receive Proposals from Contractors	November 23, 2021
Committee Reviews RFQ for Completeness and Qualifications	November 29, 2021
Interviews	December 1, 2021
Evaluation of Submittals Complete	December 2, 2021
City Council to Approve/Disapprove Contract Negotiations	December 7, 2021
Initiate Contract Negotiations with Most Qualified Contractor	January 7, 2022
Award Contract	February 8, 2022
Contract Start Date	March 7, 2022

Purpose and Goal of Request for Qualifications

Purpose of Solicitation

In issuing this RFQ, the City is seeking to ensure the optimal operation of the facilities by contracting with a Contractor having the technical and financial resources to perform the required operation, maintenance, and management services. The City's ultimate objectives for the operation of the current and future facilities is to select a contractor who will provide a strong technical support team, operate safely and in compliance with all regulatory requirements, implement sustainable and effective maintenance programs, and provide efficiencies in labor and materials.

Key Components of Agreement with Inframark

- Fixed guaranteed fee for all “fixed costs”
 - Labor (including hiring of all current City employees)
 - Recruitment, Safety, Training, etc.
 - Management and oversight
 - Computerized Maintenance Management and Regulatory Reporting Systems
 - TCEQ Reporting and interface support
 - Professional Monthly reporting of all key information impacting facilities and system
 - Initial Equipment Condition assessment and annual capital planning support
 - Guaranteed Permit Compliance (Inframark pays fines associated with their fault)
 - Guaranteed Maintenance of all equipment as per manufacturers’ specification
 - All support resources necessary to perform work
 - Compliance, HR, Safety, Operational and Maintenance Experts, Communications, Preferred high quality vendors and national pricing agreements.
 - Includes over \$225,000 in capital equipment including backhoe, jetter/rodder trailer, computers, software, tools, etc.

Managed and Capped Funds for Variable Costs

This assures Blanco will only pay for supplies and services required as opposed to inflated guaranteed budget based on limited historical data. Any unexpended funds get returned to the City.

- Chemicals
- Sludge
- Laboratory
- Maintenance and Repair

Note: Should the City so desire, these costs can become fixed fee in the future when better historical costs have been developed.

Scope of Work

Everything the employees are currently doing:

- Water and Wastewater Plant operations and maintenance
- Distribution and Collection System operations and maintenance
- Meter Reading and Meter replacement
- Park mowing and Christmas lights
- Street repair associate with systems repairs and potholes
- Minor building cleaning and repairs

City Budget that is eliminated with Inframark

GL	WTP	WWTP	Total
salaries	\$308,817.00	\$137,296.00	
OT	\$7,500.00	\$7,500.00	
Call back	\$4,100.00	\$3,430.00	
longevity	\$1,124.00	\$488.00	
on call	\$2,000.00	\$12,194.00	
medicare	\$4,691.00	\$2,333.00	
SS	\$20,415.00	\$10,153.00	
texas workforce	\$2,272.00	\$1,704.00	
health	\$29,374.00	\$29,374.00	
dental	\$1,274.00	\$1,274.00	
vision	\$312.00	\$312.00	
life	\$250.00	\$188.00	
gap insurance	\$1,080.00	\$1,080.00	
workers comp	\$9,354.00	\$9,848.00	
TMIIS retire	\$19,801.00	\$9,438.00	
special allowance	\$600.00	\$0.00	
personnel contingency	\$500.00	\$0.00	
chemicals	\$14,000.00	\$25,000.00	
cleaning supplies	\$1,500.00	\$1,500.00	
office supplies	\$500.00	\$200.00	
postage	\$1,066.00	\$1,566.00	
freight	\$1,500.00	\$1,000.00	
operation supplies	\$200.00	\$18,100.00	
printing	\$0.00	\$0.00	
hand tools	\$5,000.00	\$5,000.00	
power tools	\$0.00	\$0.00	
safety	\$500.00	\$1,100.00	
sand dirt rock	\$10,000.00	\$5,000.00	
pumps/motors	\$15,000.00	\$15,000.00	
pipe fittings	\$20,000.00	\$3,000.00	
oil propane	\$0.00	\$1,500.00	
fuel diesel	\$5,000.00	\$0.00	
consumables/reclaim supp	\$5,000.00	\$2,000.00	
appreciation	\$1,900.00	\$400.00	
Sanitation		\$1,200.00	
dues membership	\$1,500.00	\$5,500.00	
training	\$12,000.00	\$10,000.00	
travel per diem	\$5,600.00	\$3,600.00	
uniforms	\$1,500.00	\$1,500.00	
laboratory instrumentation	\$10,000.00	\$10,000.00	
water analysis	\$15,000.00	\$10,000.00	
cross connection program	\$5,000.00	\$0.00	
calibrations	\$5,000.00	\$1,000.00	
equipment lease rental	\$40,000.00	\$2,000.00	
equipment repair/maint	\$10,000.00	\$8,000.00	
vehicle repair maint	\$8,000.00	\$8,000.00	
building maint	\$5,000.00	\$1,000.00	
vehicle equipment fuel	\$0.00	\$15,000.00	
telephone/internet	\$5,000.00	\$6,500.00	
vehicle equipment fuel/oil	\$21,500.00	\$10,500.00	
water tank maint.	\$2,500.00	\$1,000.00	
water plant maintenance/ls	\$48,987.00	\$20,000.00	
valve hydrant maint./repair/sludge	\$8,000.00	\$12,000.00	
irrigation		\$ 8,000.00	
signs		\$ 1,000.00	
Total O&M Cost	\$699,217.00	\$442,778.00	\$1,141,995.00

City Costs that Remain with Inframark

City costs	WTP	WWTP
GL		
credit card fee	\$ 2,750.00	
professional service	\$ 15,000.00	\$ 8,500.00
liability insurance	\$ 846.00	\$ 846.00
insurance property	\$ 910.00	\$ 910.00
Surveying	\$ 2,500.00	
Inspections	\$ 2,500.00	\$ 2,500.00
Canyon Lake water	\$ 92,000.00	
clwsc water/repairs	\$220,000.00	
total Capital	\$ 15,500.00	\$ 5,000.00
copier lease	\$ 1,200.00	\$ 1,200.00
computer maintenance	\$ 1,000.00	\$ 500.00
electric	\$ 27,000.00	\$ 60,000.00
equipment purchase major		
Total	\$381,206.00	\$ 79,456.00
		\$460,662.00

Cost Savings

Inframark

Base Fee	\$ 876,295.82
Caps	
Chemicals	\$ 35,000.00
Sludge	\$ 15,000.00
Maintenance and Repair	\$ 140,000.00
Lab	\$ 22,000.00
Cap Total	\$ 212,000.00
Total Inframark Annual Fee	\$ 1,088,295.82
Blanco Annual remaining Budget	\$ 460,662.00
Total Blanco Budget with Inframark	\$ 1,548,957.82
Savings from current budget	\$ 53,699.00

Cost Savings

Inframark	
Base Fee	\$ 906,653.88
Caps	
Chemicals	\$ 35,000.00
Sludge	\$ 15,000.00
Maintenance and Repair	\$ 140,000.00
Lab	\$ 22,000.00
Cap Total	\$ 212,000.00
Total Inframark Annual Fee	\$ 1,118,653.88
Blanco Annual remaining Budget	\$ 460,662.00
Total Blanco Budget with Inframark	\$ 1,579,315.88
Savings from current budget	\$ 23,341.00

Recommendation & Fiscal Impact

- Fiscal Impact: It will not cost the taxpayer any extra to enter into a private partnership with Inframark rather than continuing to run the plants ourselves. In fact, there is a small savings seen.
- Recommendation: City Administrator Recommends approval of the contract with Inframark. The increase in professionalism, and the resources available to Inframark should significantly impact plant operations and efficiency.



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