



City of Grand Island

Tuesday, April 12, 2016

Council Session

Item G-3

#2016-77 - Approving Bid Award - Rogers Reservoir I Interior Painting

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Timothy G. Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting Date: April 12, 2016

Subject: Rogers Reservoir I Interior Painting

Presenter(s): Timothy G. Luchsinger, Utilities Director

Background

The Utilities Department utilizes several large, steel storage tanks for storage of potable water. Being of steel construction, periodic painting of the surfaces of these tanks is required as routine maintenance. The tanks are coated with specialized painting systems to prevent corrosion of the steel shells and the tank support structures, and are regularly inspected for the condition of paint coatings and metal surfaces.

During inspections last year, the Rogers Reservoir 1 showed significant deterioration of the interior surface. It is one of two storage tanks for the Rogers Pumping Station, used as part of the City's municipal water system. This three million gallon water storage tank is located at the intersection of Old Potash Highway and North Road. Plant staff developed bid specifications for the repainting of the tank interior, which included sandblasting of the surfaces to bare metal and painting with the appropriate coating systems.

Discussion

Specifications for the Rogers Reservoir 1 Interior Painting were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on March 24, 2016. The engineer's estimate for this project was \$350,000.00.

<u>Bidder</u>	<u>Bid Price</u>
M & M Tank Coating Company Greeley, Colorado	\$249,100.25
Allen Blasting & Coating, Inc. Burlington, Iowa	\$292,813.00
Integrity Tank Services, LLC Henderson, Kentucky	\$319,950.00
MMI Tank & Industrial Services, Inc. Phoenix, Arizona	\$393,718.00

Bidder	Bid Price
Lindner Painting, Inc. Lincoln, Nebraska	\$394,700.00
Maguire Iron, Inc., Sioux Falls, South Dakota	\$415,000.00
J.R. Stelzer Company Lincoln, Nebraska	\$463,055.00
TMI Coatings, Inc., St. Paul, Minnesota	\$474,000.00
Hartman Walsh Painting Company St. Louis, Missouri	\$677,500.00

The bids were reviewed by Utility Engineering staff. The bid from M&M Tank Coating does not meet the minimum specification requirements, as they proposed a coating system that does not meet the ANSI/NSF Standard 61 for potable water if applied at the 22.5 mils minimum dry film thickness specified for stripe coat areas. All other bids were in compliance with the specifications and had no exceptions. The bid from Allen Blasting & Coating, Inc., is compliant with specifications and less than the engineer's estimate.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council award the bid to Allen Blasting & Coating, Inc., of Weaver, Iowa, as the low responsive bidder, with the bid in the amount of \$292,813.00.

Sample Motion

Move to approve the bid in the amount of \$292,813.00 from Allen Blasting & Coating, Inc., for the Rogers Reservoir I Interior Painting.



Stacy Nonhof, Purchasing Agent

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BID OPENING

BID OPENING DATE: March 24, 2016 at 2:00 p.m.
FOR: Rogers Reservoir 1 Interior Painting
DEPARTMENT: Utilities
ESTIMATE: \$350,000.00
FUND/ACCOUNT: 525
PUBLICATION DATE: March 8, 2016
NO. POTENTIAL BIDDERS: 8

SUMMARY

Bidder:	<u>Maguire Iron, Inc.</u> Sioux Falls, SD	<u>TMI Coatings, Inc.</u> St. Paul, MN
Bid Security:	Great American Ins. Co.	North American Specialty Ins. Co.
Exceptions:	None	None
Bid Price:		
Material:	\$ 82,000.00	\$120,000.00
Labor:	\$327,260.00	\$338,000.00
Sales Tax:	\$ 5,740.00	\$ 16,000.00
Total Bid:	\$415,000.00	\$474,000.00
Bidder:	<u>Hartman Walsh Painting Co.</u> St. Louis, MO	<u>Allen Blasting & Coating, Inc.</u> Wever, IA
Bid Security:	Travelers Casualty & Surety Co.	United Fire & Casualty Co.
Exceptions:	Noted	None
Bid Price:		
Material:	\$108,500.00	\$121,585.71
Labor:	\$561,400.00	\$162,716.29
Sales Tax:	\$ 7,600.00	\$ 8,511.00
Total Bid:	\$677,500.00	\$292,813.00

Bidder: Lindner Painting, Inc. J.R. Stelzer Co.
Lincoln, NE Lincoln, NE
Bid Security: Merchants Bonding Co. Merchants Bonding Co.
Exceptions: None None

Bid Price:
Material: \$ 69,700.00 \$110,000.00
Labor: \$320,121.00 \$345,355.00
Sales Tax: \$ 4,879.00 \$ 7,700.00
Total Bid: \$394,700.00 \$463,055.00

Bidder: MMI Tank & Industrial Services Integrity Tank Service, LLC
Phoenix, AZ Henderson, KY
Bid Security: Berkley Insurance Co. Allied World Specialty Ins. Co.
Exceptions: None None

Bid Price:
Material: \$ 67,600.00 \$136,536.00
Labor: \$322,400.00 \$173,857.00
Sales Tax: \$ 3,718.00 \$ 9,557.00
Total Bid: \$393,718.00 \$319,950.00

Bidder: M & M Tank Coating Co.
Greeley, CO
Bid Security: Bankers Insurance Co.
Exceptions: None

Bid Price:
Material: \$ 89,375.00
Labor: \$153,469.00
Sales Tax: \$ 6,256.25
Total Bid: \$249,100.25

cc: Tim Luchsinger, Utilities Director
Marlan Ferguson, City Administrator
Stacy Nonhof, Purchasing Agent
Larry Keown, Burdick Plant Supt.

Pat Gericke, Utilities Admin. Assist.
Renae Griffiths, Finance Director
Karen Nagel, Utilities Secretary

P1875

RESOLUTION 2016-77

WHEREAS, the City of Grand Island invited sealed bids for Rogers Reservoir I Interior Painting according to plans and specifications on file with the Utilities Department; and

WHEREAS, on March 24, 2016, bids were received, opened and reviewed; and

WHEREAS, Allen Blasting & Coating, Inc., of Burlington, Iowa, submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, such bid being in the amount of \$292,813.00; and

WHEREAS, the bid of Allen Blasting & Coating, Inc., is less than the estimate for Rogers Reservoir I Interior Painting.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Allen Blasting & Coating, Inc., in the amount of \$292,813.00, for Rogers Reservoir I Interior Painting, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, April 12, 2016.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☒ _____
April 8, 2016	☒ City Attorney