



City of Grand Island

Tuesday, November 22, 2016

Council Session

Item G-6

**#2016-288 - Approving Boiler Feed Pump Repair at Platte
Generating Station**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting Date: November 22, 2016

Subject: Boiler Feed Pump Repair

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

Background

The Platte Generating Station two boiler feed pumps are used to pump treated water to the main boiler under high pressure. These pumps are critical to the operation of the plant. The 34 year old pumps were originally manufactured by Byron Jackson and remain in service with periodic overhaul and repair. One pump has been removed from service and a base repair scope for the pump was established by a thorough teardown and inspection of the pump. That scope was subsequently used to develop the repair specifications and engineer's estimate.

Discussion

Specifications for the Boiler Feed Pump Repair were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on November 8, 2016. The engineer's estimate for this project was \$175,000.00.

Bidder	Bid Price
JCI Industries, Inc., Lee's Summit, MO	\$ 237,186.00

Plant staff has reviewed the bid received. In discussions with the bidder after the original scope of work was established, the impellers were found to have 309 stainless steel welded to the original 400 series stainless steel during repairs made after the last rebuild by another company. The repair of the impellers with 309 stainless steel is no longer acceptable due to catastrophic in-service failures of the materials that have occurred on similar pumps. Additional repair cost above the original estimate is required to accommodate the provision of new pump impellers which were not part of the original repair scope.

The bid scope and price received includes the base repair scope and the required new impellers. As a Byron Jackson original equipment manufacturer facility authorized to

perform such repairs, their bid is being considered as a sole source provider. The plant has two boiler feed pumps with this one being currently unavailable while being repaired. A failure of the remaining pump would shut down Platte Generating Station. Department staff recommends proceeding with the award of the work as bid by JCI Industries, Inc.

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 Council award the Contract for the Boiler Feed Pump Repair to JCI Industries, Inc., of Lee's Summit, Missouri, as the sole source bidder, with the bid in the amount of \$237,186.00.

Sample Motion

Move to approve the bid in the amount of \$237,186.00, from JCI Industries, Inc. for the Boiler Feed Pump Repair at Platte Generating Station.

INTEROFFICE MEMORANDUM



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: November 8, 2016 at 2:15 p.m.

FOR: Boiler Feed Pump Repair

DEPARTMENT: Utilities

ESTIMATE: \$175,000.00

FUND/ACCOUNT: 520

PUBLICATION DATE: October 29, 2016

NO. POTENTIAL BIDDERS: 1

SUMMARY

Bidder: JCI Industries
Lincoln, NE

Bid Security: Universal Surety Co.

Exceptions: Noted

Bid Price:	<u>Option 1</u>	<u>Option 2</u>
Material:	\$113,890.00	\$ 53,063.00
Labor:	\$107,779.00	\$181,115.00
Sales Tax:	<u>\$ 15,517.00</u>	<u>\$ 16,392.00</u>
Total Bid:	\$237,186.00	\$250,570.00

cc: Tim Luchsinger, Utilities Director
Marlan Ferguson, City Administrator
Stacy Nonhof, Purchasing Agent
Darrell Dorsey, PGS Plant Supt.

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

P1915

RESOLUTION 2016-288

WHEREAS, the City of Grand Island invited sealed bids for Boiler Feed Pump Repair at Platte Generating Station according to plans and specifications on file with the Utilities Department; and

WHEREAS, on November 8, 2016, a single bid was received, opened and reviewed; and

WHEREAS, JCI Industries, Inc., of Lee's Summit, Missouri, 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 \$237,186.00; and

WHEREAS, JCI Industries, Inc., is the single source bid for the Boiler Feed Pump Repair at Platte Generating Station.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of JCI Industries, Inc., in the amount of \$237,186.00, for Boiler Feed Pump Repair, is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, November 22, 2016.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
November 18, 2016	☐ City Attorney