



# City of Grand Island

Tuesday, December 13, 2016

Council Session

## Item G-7

**#2016-298 - Approving Bid Award for Control Room HVAC 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:** December 13, 2016

**Subject:** Control Room HVAC Upgrade at Platte Generating Station

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

## Background

The Platte Generating Station has a separate heating and cooling system that is used to regulate temperature in sensitive electronic areas of the plant. In addition to catering to this temperature sensitive area, it also services the operations control room, kitchen, and several offices. The current system is struggling to maintain a consistent temperature for the various areas it services. The rooftop units are no longer rain tight, causing damage to the ceilings below. This project is to replace the twin 35-year-old rooftop units, chiller units, piping, central controller, and thermostats. The specification also includes the additional drives and zones to increase the efficiency of the system for the various areas.

## Discussion

Specifications for the Control Room HVAC Upgrade were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on November 29, 2016. The specifications were sent to five potential bidders and responses were received as listed below. The engineer's estimate for this project was \$200,000.00.

Bidder	Bid Price	Exceptions	Adjusted Bid Price	Negotiated Bid Price
Rutts Heating & AC, Inc. Hastings, NE	\$ 292,150.00	\$ 34,583.00	\$ 326,733.00	\$ 309,348.00

Plant staff reviewed the bid received. Although the existing chillers were not initially slated for replacement, it was determined that they were not compatible with modern refrigerant, and were added to the specification. The original engineer's estimate was based on smaller units replaced in the last few years, however with the much larger size the estimate was not accurate, and the additional cost of the independent chillers was thought to fall within the original engineer's estimate. In post bid discussions with the lone bidder, a fair compensation was negotiated. Department staff recommends

proceeding with the award of the work based on the adjusted bid pricing after negotiations with Rutts Heating and Air Conditioning, 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 Control Room HVAC Upgrade to Rutts Heating and Air Conditioning, Inc., of Hastings, Nebraska, as the low responsive bidder, with the bid in the amount of \$309,348.00.

### **Sample Motion**

Move to approve the bid in the amount of \$309,348.00 from Rutts Heating and Air Conditioning, Inc., for the Control Room HVAC Upgrade at Platte Generating Station.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** November 29, 2016 at 2:00 p.m.  
**FOR:** Control Room HVAC  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$200,000.00  
**FUND/ACCOUNT:** 520  
**PUBLICATION DATE:** November 10, 2016  
**NO. POTENTIAL BIDDERS:** 5

**SUMMARY**

**Bidder:** Rutts Heating & AC, Inc.  
Hastings, NE  
**Bid Security:** Universal Surety Co.  
**Exceptions:** Noted

**Bid Price:**  
**Material:** \$229,800.00  
**Labor:** \$ 49,750.00  
**Sales Tax:** \$ 12,600.00  
**Total Base Bid:** \$292,150.00

**Alternate Bid:**  
**Material:** -0-  
**Labor:** \$1,995.00  
**Sales Tax:** -0-  
**Total Alternate Bid:** \$1,995.00

cc: Tim Luchsinger, Utilities Director  
Marlan Ferguson, City Administrator  
Stacy Nonhof, Purchasing Agent  
Ryan Schmitz, Assist. Utilities Director

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

**P1923**

RESOLUTION 2016-298

WHEREAS, the City of Grand Island invited sealed bids for Control Room HVAC at Platte Generating Station according to plans and specifications on file with the Utilities Department; and

WHEREAS, on November 29, 2016, bids were received, opened and reviewed; and

WHEREAS, Rutts Heating and AC, Inc., of Hastings, Nebraska, 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 \$309,348.00; and

WHEREAS, the bid of Rutts Heating & AC, Inc., is the single source bid for the Control Room HVAC.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Rutts Heating and AC, Inc., in the amount of \$309,348.00 for Control Room HVAC at Platte Generating Station, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, December 13, 2016.

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Jeremy L. Jensen, Mayor

Attest:

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RaNae Edwards, City Clerk

Approved as to Form	☐ _____
December 9, 2016	☐ City Attorney