



City of Grand Island

Tuesday, May 23, 2017

Council Session

Item G-6

#2017-148 - Approving Bid Award - Turbine Generator Inspection and Repair at Platte Generating Station - 2017

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting Date: May 23, 2017

Subject: Turbine Generator Inspection and Repair - 2017

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

Background

A major inspection and overhaul of the turbine generator at the Platte Generating Station is performed every five years. The next overhaul is scheduled for the fall of this year. During this inspection, the turbine generator is completely disassembled and all components are cleaned, inspected, repaired or replaced as necessary.

Specifications were developed by the plant maintenance staff to include all labor to open, inspect, clean, and close the turbine and the generator, with the City to supply all parts and materials. Included in the bid are technical support and 800 hours of repair labor for bearings, steam nozzles, turbine rotor blades, and generator parts. The specifications include a composite hourly rate for additions or reductions in the repair labor amount as the amount of actual work is not known until the unit is disassembled and inspected.

Discussion

Specifications for the Turbine Generator Inspection and Repair - 2017 were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on April 20, 2017. The engineer's estimate for this project was \$1,100,000.00.

Bidder	Base Bid Price	Add'l Bid (800 man hrs)	Total Bid Price
Reliable Turbine Services Sullivan, MO	\$ 627,498.16	\$265,393.63	\$ 892,891.79
S.T. Cotter Clearwater, MN	\$ 785,449.00	\$135,000.00	\$ 920,449.00
Power Plant Repair Services Oswego, IL	\$ 881,800.00	\$ 99,895.00	\$ 981,965.00
General Electrical International Schenectady, NY	\$ 967,579.00	\$144,000.00	\$1,111,579.00
HPI, LLC Houston, TX	\$1,006,037.95	\$174,707.54	\$1,180,745.49
EthosEnergy TC, Inc. Chicopee, MA	\$1,124,000.00	\$141,000.00	\$1,265,000.00

Bids were reviewed by plant engineering staff for compliance with the City's detailed specifications. The bid from Reliable Turbine Services of Sullivan, Missouri was the lowest bid compliant with the 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 Council award the Contract for the Turbine Generator Inspection and Repair - 2017 to Reliable Turbine Services of Sullivan, Missouri, as the low responsive bidder, with the bid in the amount of \$892,891.79.

Sample Motion

Motion to approve the bid in the amount of \$892,891.79 from Reliable Turbine Services of Sullivan, Missouri, for the Turbine Generator Inspection and Repair - 2017.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: April 20, 2017 at 2:00 p.m.
FOR: Turbine Generator Inspection and Repair 2017
DEPARTMENT: Utilities
ESTIMATE: \$1,100,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: March 28, 2017
NO. POTENTIAL BIDDERS: 10

SUMMARY

Bidder: EthosEnergy TC, Inc.
Chicopee MA
Bid Security: Fidelity & Deposit Company of Maryland
Exceptions: None

Bid Price:
Material: \$0.00
Labor: \$1,124,000
Sales Tax: \$0.00
Total Bid: \$1,124,000
Addl. Bid: \$141,000 (800 hours of diaphragm, nozzle, bucket and steam path component repair.)

Bidder: General Electric International Inc.
Schenectady, NY
Bid Security: Electric Insurance Company
Exceptions: Noted

Bid Price:
Material: \$0.00
Labor: \$967,579
Sales Tax: \$63,300
Total Bid: \$967,579
Addl. Bid: \$144,000 (800 hours of diaphragm, nozzle, bucket and steam path component repair.)

Bidder: **Power Plant Repair Services**
Oswego, IL
Bid Security: Washington International Insurance Co.
Exceptions: None

Bid Price:
Material: \$17,820
Labor: \$862,732
Sales Tax: \$1,247
Total Bid: \$881,800
Addl. Bid: \$99,895 (800 hours of diaphragm, nozzle, bucket and steam path component repair.)

Bidder: **S. T. Cotter**
Clearwater, MN
Bid Security: The Guarantee Company of North American USA
Exceptions: Noted

Bid Price:
Material: \$0.00
Labor: \$785,449
Sales Tax: \$0.00
Total Bid: \$785,449
Addl. Bid: \$135,000 (800 hours of diaphragm, nozzle, bucket and steam path component repair.)

Bidder: **Reliable Turbine Services**
Sullivan, MO
Bid Security: Cashier's Check
Exceptions: Noted

Bid Price:
Material: \$14,973.75
Labor: \$611,476.25
Sales Tax: \$1,048.16
Total Bid: \$627,498.16
Addl. Bid: \$265,393.63 (800 hours of diaphragm, nozzle, bucket and steam path component repair.)

Bidder: **HPI, LLC.**
Houston, TX
Bid Security: SureTec Insurance Co.
Exceptions: Noted

Bid Price:
Material: \$7,668
Labor: \$997,833.19
Sales Tax: \$536.76
Total Bid: \$1,006,037.95
Addl. Bid: \$174,707.54 (800 hours of diaphragm, nozzle, bucket and steam path component repair.)

cc: Tim Luchsinger, Utilities Director
Marlan Ferguson, City Administrator

Pat Gericke, Utilities Admin. Assist.
Renae Griffiths, Finance Director

Stacy Nonhof, Purchasing Agent
Darrell Dorsey, PGS Plant Superintendent

Karen Nagel, Utilities Secretary

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RESOLUTION 2017-148

WHEREAS, the City of Grand Island invited sealed bids for Turbine Generator Inspection and Repair – 2017, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on April 20, 2017, bids were received, opened and reviewed; and

WHEREAS, Reliable Turbine Services of Sullivan, 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 \$892,891.79; and

WHEREAS, the bid of Reliable Turbine Services is less than the estimate for Turbine Generator Inspection and Repair – 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Reliable Turbine Services, in the amount of \$892,891.79 for Turbine Generator Inspection and Repair – 2017, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, May 23, 2017.

Jeremy L. Jensen, Mayor

Attest:

Nicki Stoltenberg, City Clerk Pro Tem

Approved as to Form	☐ _____
May 19, 2017	☐ City Attorney