



# City of Grand Island

Tuesday, June 27, 2017

Council Session

## Item G-7

**#2017-180 - Approving Bid Award - Boiler Inspection & Repair -  
Fall 2017**

Staff Contact: Tim Luchsinger, Stacy Nonhof

# Council Agenda Memo

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

**Meeting Date:** June 27, 2017

**Subject:** Boiler Inspection and Repair – Fall 2017

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

## Background

Every five years an extended outage is conducted at Platte Generating Station to perform a major overhaul of the turbine generator. The fall 2017 outage is currently scheduled for September 14 through October 31, 2017, during which time inspection and maintenance on the boiler will be performed.

This package of work on the boiler includes scaffolding the entire boiler, inspection, testing and repair of the internal boiler tubing and components, replacement of burner tips and removal of tube samples. Plant engineering staff developed the specifications issued for bids covering this scope of work.

## Discussion

The specifications for the Boiler Inspection and Repair – Fall 2017, were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on June 6, 2017. The engineer's estimate for this project was \$500,000.00.

Bidder	Base Bid
Hayes Mechanical LaVista, Nebraska	\$484,090.00
Associated Mechanical Olathe, Kansas	\$496,492.00
TEI Construction Services, Inc. Duncan, South Carolina	\$544,181.00
PIC Group, Inc. Atlanta, Georgia	\$725,307.00

The bids were reviewed by Utility Engineering staff. The bid from Hayes Mechanical of LaVista, Nebraska, in the amount of \$484,090.00 was found to be compliant with the specification 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 Boiler Inspection and Repair - Fall 2017 to Hayes Mechanical of LaVista, Nebraska, as the low responsive bidder, with the bid in the amount of \$484,090.00.

### **Sample Motion**

Move to approve the bid of \$484,090.00 from Hayes Mechanical for the Boiler Inspection and Repair - Fall 2017 at Platte Generating Station.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** June 6, 2017 at 2:00 p.m.  
**FOR:** Boiler Inspection and Repair Fall 2017  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$500,000  
**FUND/ACCOUNT:** 520  
**PUBLICATION DATE:** May 20, 2017  
**NO. POTENTIAL BIDDERS:** 8

**SUMMARY**

**Bidder:** TEI Construction Services, Inc.  
Duncan, SC  
**Bid Security:** Atlantic Specialty Insurance Co.  
**Exceptions:** Noted

<b>Bid Price:</b>	<b><u>Materials</u></b>	<b><u>Labor</u></b>	<b><u>Taxes</u></b>	<b><u>Total Bid</u></b>
<b>Mobilization/ Demobilization:</b>	----	\$65,358.00	\$4,575.00	\$69,933.00
<b>Scaffolding/ Inspection:</b>	----	\$253,226.00	\$17,726.00	\$270,952.00
<b>Non-Pressure Component Repairs:</b>	----	\$46,899.00	\$3,283.00	\$50,182.00
<b>Pressure Component Repairs: \$300.00</b>		\$47,199.00	\$3,304.00	\$50,503.00
<b>Burner Corner Equipment:</b>	-----	\$62,532.00	\$4,377.00	\$66,909.00
<b>Tube Samples:</b>	\$400.00	\$33,366.00	\$2,336.00	\$35,702.00
<b>Total Base Bid</b>	<b>\$544,181.00</b>			

**Bidder:** PIC Group, Inc.  
Atlanta, GA  
**Bid Security:** Arch Insurance Co.  
**Exceptions:** Noted

<b>Bid Price:</b>	<u>Materials</u>	<u>Labor</u>	<u>Taxes</u>	<u>Total Bid</u>
<b>Mobilization/ Demobilization:</b>	\$2,500.00	\$95,266.00	\$7,359.00	\$105,124.00
<b>Scaffolding/ Inspection:</b>	\$35,540.00	\$273,208.00	\$23,239.00	\$331,987.00
<b>Non-Pressure Component Repairs:</b>	----	\$44,860.00	\$3,377.00	\$48,236.00
<b>Pressure Component Repairs:</b>	----	\$44,860.00	\$3,377.00	\$48,236.00
<b>Burner Corner Equipment:</b>	----	\$110,619.00	\$8,326.00	\$118,945.00
<b>Tube Samples:</b>	----	\$67,684.00	\$5,095.00	\$72,779.00
<b>Total Base Bid</b>	<b>\$725,307.00</b>			

**Bidder:** Associated Mechanical, Inc.  
Olathe, KS  
**Bid Security:** Mid-Continent Casualty Co.  
**Exceptions:** None

<b>Bid Price:</b>	<u>Materials</u>	<u>Labor</u>	<u>Taxes</u>	<u>Total Bid</u>
<b>Mobilization/ Demobilization:</b>	\$22,891.00	\$97,065.00	\$1,603.00	\$121,559.00
<b>Scaffolding/ Inspection:</b>	----	\$133,944.00	----	\$133,944.00
<b>Non-Pressure Component Repairs:</b>	----	\$55,465.00	----	\$55,465.00
<b>Pressure Component Repairs:</b>	----	\$55,465.00	----	\$55,465.00
<b>Burner Corner Equipment:</b>	----	\$75,433.00	----	\$75,433.00
<b>Tube Samples:</b>	\$660.00	\$49,919.00	47.00	\$50,626.00
<b>Bond</b>				4,000.00
<b>Total Base Bid</b>	<b>\$496,492.00</b>			

**Bidder:** Hayes Mechanical

**Bid Security:** La Vista, NE  
**Exceptions:** Great American Ins. Co.  
Noted

<b>Bid Price:</b>	<b><u>Materials</u></b>	<b><u>Labor</u></b>	<b><u>Taxes</u></b>	<b><u>Total Bid</u></b>
<b>Mobilization/ Demobilization:</b>	<b>\$2,238.00</b>	<b>\$111,450.00</b>	<b>\$902.00</b>	<b>\$114,590.00</b>
<b>Scaffolding/ Inspection:</b>	----	<b>\$191,200.00</b>	----	<b>\$191,200.00</b>
<b>Non-Pressure Component Repairs:</b>	----	<b>\$47,000.00</b>	----	<b>\$47,000.00</b>
<b>Pressure Component Repairs:</b>	----	<b>\$47,000.00</b>	----	<b>\$47,000.00</b>
<b>Burner Corner Equipment:</b>	----	<b>\$64,000.00</b>	----	<b>\$64,000.00</b>
<b>Tube Samples:</b>	----	<b>\$20,300.00</b>	----	<b>\$20,300.00</b>
<b>Total Base Bid</b>	<b>\$484,090.00</b>			

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

Darrell Dorsey, PGS Plant Superintendent  
Renae Griffiths, Finance Director  
Karen Nagel, Utilities

**P1976**

RESOLUTION 2017-180

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

WHEREAS, on June 6, 2017, bids were received, opened and reviewed; and

WHEREAS, Hayes Mechanical of LaVista, 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 \$484,090.00; and

WHEREAS, the bid of Hayes Mechanical is less than the estimate for Boiler Inspection and Repair – Fall 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid Hayes Mechanical, in the amount of \$484,090.00, for Boiler Inspection and Repair – Fall 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, June 27, 2017.

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Jeremy L. Jensen, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☒ _____
June 23, 2017	☒ City Attorney