



City of Grand Island

Tuesday, June 27, 2017

Council Session

Item G-8

**#2017-181 - Approving Bid Award - Turbine Generator Inspection
& Repair - Technical Representative**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting: June 27, 2017

Subject: Turbine Generator Inspection and Repair – Technical Representative

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 engineering staff to hire a technical representative to monitor, record, report, and recommend repairs directly to engineering staff. The technical representative will continuously monitor all turbine generator work as engineering staff oversee all other outage and maintenance items.

Discussion

The specification for the Turbine Generator Inspection and Repair-Technical Advisor was issued for bid to seven potential bidders and five bids were received on June 6, 2017. The engineer's estimate for this service is \$150,000.00.

Bidder	Bid Price
HPI, LLC Houston, Texas	\$ 66,560.00
S.T. Cotter Turbine Services, Inc. Clearwater, Minnesota	\$ 87,330.40
Sulzer Turbo Services LaPorte, Texas	\$ 94,641.50
Power Services Group Anderson, South Carolina	\$104,000.00
Reliable Turbine Services Sullivan Missouri	\$127,500.00
General Electric Power Services Schenectady, New York	\$213,872.00

Engineering staff reviewed the bids for compliance with the City's detailed specifications. The bid from HPI, LLC, is 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 presented in this motion

Recommendation

City Administration recommends that the Council award the bid to HPI, LLC, of Houston, Texas as the low bidder, with the bid in the amount of \$66,560.00.

Sample Motion

Move to approve the bid of \$66,560.00 from HPI, LLC, of Houston, Texas, as the low bidder for the Turbine Generator Inspection and Repair – Technical Advisor.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: June 6, 2017 at 2:15 p.m.
FOR: Turbine Generator Inspection and Repair – Technical Representative
DEPARTMENT: Utilities
ESTIMATE: \$150,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: May 20, 2017
NO. POTENTIAL BIDDERS: 7

SUMMARY

Bidder:	<u>Sulzer Turbo Services Houston, Inc.</u> La Porte, TX	<u>HPI</u> Houston, TX
Bid Security:	Federal Insurance Co.	SureTec Insurance Co.
Exceptions:	Noted	None

Bid Price:		
Labor:	\$88,450.00	\$66,560.00
Sales Tax:	\$ 6,191.50	----
Total Bid:	\$94,641.50	\$66,560.00

Bidder:	<u>Reliable Turbine Services, LLC</u> Sullivan, MO	<u>Power Services Group</u> Anderson, SC
Bid Security:	Cashier's Check	SureTec Insurance Co.
Exceptions:	Noted	None

Bid Price:		
Labor:	\$127,500.00	\$104,000.00
Sales Tax:	----	----
Total Bid:	\$127,500.00	\$104,000.00

Bidder:	<u>General Electric Power Services</u>	<u>S.T. Cotter Turbine Services, Inc.</u>
----------------	--	---

Bid Security: Schenectady, NY
Exceptions: Fidelity & Deposit Co.
Noted

Clearwater, MN
The Guarantee Co.
Noted

Bid Price:

Labor: \$199,880.00

Sales Tax: \$ 13,992.00

Total Bid: \$213,872.00

\$87,330.40

\$87,330.40

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

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

P1975

RESOLUTION 2017-181

WHEREAS, the City of Grand Island invited sealed bids for Turbine Generator Inspection and Repair – Technical Representative, 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, HPI, LLC, of Houston, Texas, 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 \$66,560.00; and

WHEREAS, the bid of HPI, LLC, is less than the estimate for turbine Generator Inspection and Repair – Technical Representative.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of HPI, LLC, in the amount of \$66,560.00, for Turbine Generator Inspection and Repair – Technical Representative, is hereby approved as the lowest responsible bid.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 27, 2017.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

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