



# City of Grand Island

Tuesday, July 25, 2017

Council Session

## Item G-10

**#2017-203 - Approving Bid Award - Boiler Condition Assessment  
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:** July 25, 2017

**Subject:** Boiler Condition Assessment

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

The Platte Generating Station boiler has hundreds of water and steam generating tubes that flow into large headers at the top of the boiler. Over time, the high pressures and temperatures that these headers are exposed to can result in degradation of the steel and damage to the headers. These particular headers are made out of seamed pipe that can be especially prone to such degradation and has been known to rupture on other units. This requires periodic testing to assure the headers are still in good condition and safe for continued operation. The last time these tests were performed was 1997 and the plant staff feels it is time to perform additional tests to assure the integrity of the unit.

The next outage is scheduled for September of this year. Specifications were developed by the plant maintenance staff for the technical expertise to prep, inspect and test the steam generator headers and components.

## **Discussion**

The specifications for the Boiler Condition Assessment Superheat and Reheat Headers and Links-Fall 2017 were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on July 11, 2017. Specifications were sent to eight potential bidders and responses were received as listed below. The engineer's estimate for this project was \$400,000.00.

| Bidder                                       | Bid Amount   |
|--|--------------|
| TEI Construction Services<br>Magnolia, Texas | \$189,754.00 |
| GE Power Services<br>Windsor, Connecticut    | \$299,334.00 |
| Acuren Inspection, Inc.<br>Leander, Texas    | \$398,147.00 |
| Mistras Group, Inc.<br>Longmont, Colorado    | \$423,400.29 |

The bids were reviewed by Utility Engineering staff. All bids were in compliance with the specifications and had no exceptions. The bid from TEI Construction Services, Inc., is compliant with 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 the Council approve the bid of TEI Construction Services, Inc., of Magnolia, Texas, as the low responsive bidder, with a bid in the amount of \$189,754.00.

### **Sample Motion**

Move to approve the bid in the amount of \$189,754.00 from TEI Construction Services, Inc., for the Boiler Condition Assessment Superheat and Reheat Headers and Links-Fall 2017.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** July 11, 2017 at 2:00 p.m.

**FOR:** Boiler Condition Assessment Superheat & Reheat Headers & Links – Fall 2017

**DEPARTMENT:** Utilities

**ESTIMATE:** \$400,000.00

**FUND/ACCOUNT:** 520

**PUBLICATION DATE:** June 13, 2017

**NO. POTENTIAL BIDDERS:** 8

**SUMMARY**

|                      |  |  |
|----------------------|--|--|
| <b>Bidder:</b>       | <u>TEI Construction Services, Inc.</u><br>Magnolia, TX | <u>Mistras Group, Inc.</u><br>Longmont, CO |
| <b>Bid Security:</b> | Atlantic Specialty Ins. Co.                            | Westchester Fire Ins. Co.                  |
| <b>Exceptions:</b>   | Noted  | Noted                                      |

|                   |                    |                     |
|-------------------|--------------------|---------------------|
| <b>Bid Price:</b> |                    |                     |
| <b>Material:</b>  | \$ 40,795.00       | No bid              |
| <b>Labor:</b>     | \$138,997.00       | \$393,762.27        |
| <b>Sales Tax:</b> | <u>\$ 9,962.00</u> | <u>\$ 29,638.02</u> |
| <b>Total Bid:</b> | \$189,754.00       | \$423,400.29        |

|                      |   |   |
|----------------------|---|---|
| <b>Bidder:</b>       | <u>Acuren Inspection, Inc.</u><br>Leander, TX | <u>GE Power Services</u><br>Windsor, CT |
| <b>Bid Security:</b> | Berkley Ins. Co.                              | Fidelity & Deposit Co.                  |
| <b>Exceptions:</b>   | Noted   | Noted                                   |

|                   |                     |              |
|-------------------|---------------------|--------------|
| <b>Bid Price:</b> |                     |              |
| <b>Material:</b>  | \$322,800.00        | \$196,093.00 |
| <b>Labor:</b>     | \$ 49,300.00        | \$103,241.00 |
| <b>Sales Tax:</b> | <u>\$ 26,047.00</u> | <u>----</u>  |
| <b>Total Bid:</b> | \$398,147.00        | \$299,334.00 |

cc: Tim Luchsinger, Utilities Director

Darrell Dorsey, PGS Plant Superintendent

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

Stacy Nonhof, Purchasing Agent  
Karen Nagel, Utilities Secretary

**P1984**

RESOLUTION 2017-203

WHEREAS, the City of Grand Island invited sealed bids for Boiler Condition Assessment, according to plans and specifications on file with the Utilities Department; and

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

WHEREAS, TEI Construction Services of Magnolia, 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 \$189,754.00; and

WHEREAS, the bid of TEI Construction Services is less than the estimate for Boiler Condition Assessment.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of TEI Construction Services in the amount of \$189,754.00 for Boiler Condition Assessment is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, July 25, 2017.

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Jeremy L. Jensen, Mayor

Attest:

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RaNae Edwards, City Clerk

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|---------------------|-----------------|
| Approved as to Form | ☐ _____         |
| July 21, 2017       | ☐ City Attorney |