



# City of Grand Island

Tuesday, October 10, 2017

Council Session

## Item G-8

**#2017-272 - Approving Bid Award - Purchase of Sulfuric Acid with Telemetry Program**

Staff Contact: Tim Luchsinger, Stacy Nonhof

# **Council Agenda Memo**

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

**Meeting Date:** October 10, 2017

**Subject:** Purchase of Sulfuric Acid with Telemetry Program

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

## **Background**

The Platte Generating Station utilizes a cooling tower, condenser and circulating piping as part of the plant's cooling water system. The cooling tower uses heat exchangers to dissipate large heat loads to the atmosphere.

Bulk sulfuric acid at the Platte Generating Power Plant is used for the pH control of the cooling tower system. The system's cooling water impurities are concentrated through an evaporative cooling process and requires chemical treatment to prevent scaling, corrosion, and contamination and assists with conductivity. Depending on the time of year and the production load, approximately 140 gallons are used per day. The current contract to provide the additive is complete. A telemetry system installed by the supplier allows the tank level to be monitored by the supplier and shipments to be scheduled accordingly. Plant staff developed specifications for the purchase of sulfuric acid and issued for bid.

## **Discussion**

The Utilities Department solicits bids annually for the sulfuric acid. The specifications require a firm price for the product to maintain the guaranteed dose rate. Bids were publicly opened on September 26, 2017. Two bids were received as listed below. The engineer's estimate for this project was \$100,000.00.

Bidder	Unit Price/Ton	Taxes	Estimated Annual Cost	Telemetry Program	Adjusted Bid Price
Univar Omaha, NE	\$182.00	\$12.74	\$71,469.58	\$0.00	\$71,469.58
Brenntag Great Lakes Omaha, NE	\$158.00	\$ 8.69	\$45,839.75	\$0.00	\$45,839.75

Department staff has reviewed the bids for compliance with the City's detailed specifications. The bids were evaluated based upon the unit cost per ton and the cost of installing a telemetry program. Brenntag Great Lakes 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 purchase of Sulfuric Acid with Telemetry Program be awarded to Brenntag Great Lakes from Omaha, Nebraska, as the low responsive bidder, for a cost of \$158.00 per ton; an annual cost estimate of \$45,839.75; and the installation of the telemetry monitoring system at no cost.

### **Sample Motion**

Move to approve the bid award for Purchase of Sulfuric Acid with Telemetry Program in the amount of \$158.00 per ton per gallons of treated water, to Brenntag Great Lakes of Omaha, Nebraska.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** September 26, 2017 at 2:00 p.m.  
**FOR:** Purchase of Sulfuric Acid with Telemetry Program  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$100,000.00  
**FUND/ACCOUNT:** 520  
**PUBLICATION DATE:** September 14, 2017  
**NO. POTENTIAL BIDDERS:** 3

**SUMMARY**

<b>Bidder:</b>	<b><u>Brenntag Great Lakes, LLC</u></b>	<b><u>UNIVAR</u></b>
	Omaha, NE	Travelers Casualty & Surety Co.
<b>Bid Security:</b>	Cashier's Check	Kent, WA
<b>Exceptions:</b>	None	Noted
<b>Unit Price:</b>	\$158.00	\$182.00
<b>Sales Tax:</b>	\$ 8.69 per ton	\$ 12.74 per ton
<b>Annual Est. Cost:</b>	\$45,839.75	\$71,469.58
<b>Telemetry Cost:</b>	-0-	-0-

cc: Tim Luchsinger, Utilities Director  
Marlan Ferguson, City Administrator  
Stacy Nonhof, Purchasing Agent  
Karen Nagel, Utilities Secretary

Pat Gericke, Utilities Admin. Assist.  
Renae Jimenez, Finance Director  
Scott Sekutera, Reg. & Environ. Mgt.

**P2001**

RESOLUTION 2017-272

WHEREAS, the City of Grand Island invited sealed bids for the Purchase of Sulfuric Acid with Telemetry Program, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on September 26, 2017, bids were received, opened and reviewed; and

WHEREAS, Brenntag Great Lakes of Omaha, 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 cost of \$158.00 per ton; an annual estimate of \$45,839.75; and

WHEREAS, the bid of Brenntag Great Lakes is less than the estimate for the Purchase of Sulfuric Acid with Telemetry Program.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Brenntag Great Lakes, in the cost of \$158.00 per ton, for the Purchase of Sulfuric Acid with Telemetry Program, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, October 10, 2017.

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Jeremy L. Jensen, Mayor

Attest:

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

Approved as to Form	☐ _____
December 14, 2017	☐ City Attorney