



City of Grand Island

Tuesday, December 12, 2017

Council Session

Item G-5

**#2017-343 - Approving Purchase of Cooling Tower Chemicals for
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: December 12, 2017

Subject: Cooling Tower Chemicals

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 system cooling water impurities are concentrated through an evaporative cooling process. The plant has routinely treated the water to prevent scaling, corrosion, fouling, and microbiological contamination. The annual cost of these chemicals has increased above the City Purchasing Code requirements. The plant environmental staff developed specifications for the purchase of the chemicals used for treatment of the water.

Discussion

The specification for the Purchase of Cooling Tower Chemicals was advertised and issued for bid in accordance with the City Purchasing Code. The specifications require a firm price for the product to maintain the cooling tower water chemistry to minimize corrosion and no scale buildup.

Bids were publicly opened on November 21, 2017. Specifications were sent to ten potential bidders and responses were received as listed below. The engineer's estimate for this project was \$130,000.00.

Bidder	Unit Price	Annual Price
Water Engineering Mead, Nebraska	\$0.8000	\$ 79,359.26
WaterLink Inc. Omaha, Nebraska	\$0.7900	\$ 55,542.39*
Consolidated Water Solutions Omaha, Nebraska	\$0.8453	\$ 83,366.00*

Department Staff have reviewed the bids for compliance with the City's detailed specification. A total of three companies submitted different chemicals to maintain cooling tower water. *Based on an estimated annual usage, the cost for a year's supply of chemicals was used to evaluate an annual cost. The proposals were also evaluated based upon the effectiveness of the chemicals to maintain the cooling tower water chemistry.

The Platte Generating Station Water Consultant recommended the best product to maintain cooling tower water chemistry would have Hydroxyethylidene Diphosphonic acid (HEDP), 2-Phosphonobutane-1,2,4,-tricarboxylic Acid (PBTC) and polymers for best results. The low bidder, WaterLink, would be supplying a chemical only containing PBTC and will not effectively control corrosion in the system. For the past two years, Platte Generating Station has used chemicals with the HEDP, PBTC, and polymers, and effectively controlled corrosion and scale in the cooling water. The bid from WaterLink was thereby considered non-compliant with the specifications.

Water Engineering provides a product with these chemicals, 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 cooling tower chemicals be awarded to Water Engineering of Mead, Nebraska, as the low responsive bidder, for a not-to-exceed price of \$0.8000 per pound of solution; an annual amount estimate at \$79,359.26. The actual annual amount will depend on City water usage.

Sample Motion

Move to approve award for the purchase of cooling tower chemicals in the amount of \$0.8000 per pound of solution be awarded to Water Engineering from Mead, Nebraska.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: November 21, 2017 at 2:00 p.m.
FOR: Purchase of Cooling Tower Chemicals
DEPARTMENT: Utilities
ESTIMATE: \$130,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: October 31, 2017
NO. POTENTIAL BIDDERS: 10

SUMMARY

Bidder:	<u>Water Engineering Inc.</u> Mead, NE	<u>Consolidated Water Solutions</u> Omaha, NE
Bid Security:	Cashier's Check	Cashier's Check
Exceptions:	None	Noted
Bid Price:	\$79,359.26	\$26,840.98

Bidder:	<u>WaterLink, Inc.</u> Omaha, NE
Bid Security:	Cashier's Check
Exceptions:	None
Bid Price:	\$79,644.00

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

Pat Gericke, Utilities Admin. Assist.
Renae Jimenez, Finance Director
Scott Sekutera, Regulatory Manager

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RESOLUTION 2017-343

WHEREAS, the City of Grand Island invited sealed bids for the Purchase of Cooling Tower Chemicals, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on November 21, 2017, bids were received, opened and reviewed; and

WHEREAS, Water Engineering of Mead, 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 \$.8000 per pound of solution; an annual amount estimate of \$79,359.26 (depending on water usage); and

WHEREAS, the bid of Water Engineering is less than the estimate for the Purchase of Cooling Tower Chemicals.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Water Engineering, in the amount of \$.8000 per pound of solution for the Purchase of Cooling Tower Chemicals, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, December 12, 2017.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
December 8, 2017	☐ City Attorney