



City of Grand Island

Tuesday, April 23, 2019

Council Session

Item G-7

#2019-140 - Approving Bid Award for Burdick Generating Station Cooling Tower Demolition

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting Date: April 23, 2019

Subject: Burdick Generating Station Cooling Tower Demolition

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

Background

The Burdick Station Steam Units #1 and #2 were decommissioned in 2016, and Steam Unit #3 was decommissioned in 2017. The cooling tower was used to condense steam for Steam Unit #3. In 2015, Black & Veatch was hired to conduct an engineering study. They looked at the feasibility of utilizing the existing steam unit building for future generation. It was concluded that it is more cost effective to raze the existing building than try to retrofit it. The Burdick Steam unit building will be razed in 2020, eliminating the cost associated with maintaining the building.

The three gas turbines will remain operational at Burdick Station and provide peaking and emergency backup power to the City of Grand Island. To conduct maintenance on the gas turbines, a maintenance building will be constructed in the location of the cooling tower.

Discussion

Specifications for the Burdick Generating Station Cooling Tower Demolition were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on April 16, 2019. The engineer's estimate for this project was \$75,000.00.

| Bidder | Bid Price |
|--|---------------|
| Hayden Wrecking Corporation, Washington Park, IL | \$ 44,875.00 |
| Cooling Tower Depot, Inc., Golden CO | \$ 112,493.00 |
| Myers Construction, Inc., Broken Bow, NE | \$ 189,480.00 |

Bids were reviewed by plant engineering staff. It 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 Council award the Contract for the Burdick Generating Station Cooling Tower Demolition to Hayden Wrecking Corporation of Washington Park, Illinois, as the low responsive bidder, with the bid in the amount of \$44,875.00.

Sample Motion

Move to approve the bid in the amount of \$44,875.00 from Hayden Wrecking Corporation for the Burdick Generating Station Cooling Tower Demolition.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: April 16, 2019 at 2:00 p..m.
FOR: Burdick Generating Station Cooling Tower Demo
DEPARTMENT: Utilities
ESTIMATE: \$75,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: March 27, 2019
NO. POTENTIAL BIDDERS: 2

SUMMARY

| | | |
|----------------------|--|---|
| Bidder: | <u>Cooling Tower Depot, Inc.</u> Golden, CO | <u>Hayden Wrecking Corporation</u> Washington Park, IL |
| Bid Security: | Argonaut Insurance Co. | North American Specialty Ins. Co. |
| Exceptions: | None | Noted |

| | | |
|-------------------|--------------|---------------|
| Bid Price: | | |
| Material: | No Bid | \$33,692.00 |
| Labor: | \$111,368.00 | \$11,183.00 |
| Sales Tax: | \$ 1,125.00 | <u>No Bid</u> |
| Total Bid: | \$112,493.00 | \$44,875.00 |

| | |
|----------------------|---|
| Bidder: | <u>Myers Construction, Inc.</u> Broken Bow, NE |
| Bid Security: | Inland Insurance Co. |
| Exceptions: | None |

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|-------------------|---------------|
| Bid Price: | |
| Labor: | \$189,480.00 |
| Sales Tax: | <u>No Bid</u> |
| Total Bid: | \$189,480.00 |

cc: Tim Luchsinger, Utilities Director
Brent Clakr, City Administrator
Stacy Nonhof, Purchasing Agent

Pat Gericke, Utilities Admin. Assist.
Patrick Brown, Finance Director
Lynn Mayhew, Assist. Utilities Director

P2120

RESOLUTION 2019-140

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

WHEREAS, on April 16, 2019, bids were received, opened and reviewed; and

WHEREAS, Hayden Wrecking Corporation of Washington Park, Illinois 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 \$44,875.00; and

WHEREAS, the bid of Hayden Wrecking Corporation is less than the estimate for Burdick Generating Station Cooling Tower Demolition.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Hayden Wrecking Corporation, in the amount of \$44,875.00 for Burdick Generating Station Cooling Tower Demolition, is hereby approved as the lowest responsive bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, April 23, 2019.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

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|---------------------|-----------------|
| Approved as to Form | ▣ _____ |
| April 19, 2019 | ▣ City Attorney |