



City of Grand Island

Tuesday, May 28, 2019

Council Session

Item G-4

#2019-175 - Approving Substation Transformer Testing and Transport Services

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Tim Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting: May 28, 2019

Subject: Approving Substation Testing and Transport Services

Presenter(s): Tim Luchsinger, Utilities Director

Background

The Grand Island Electric System utilizes a 115,000-volt transmission loop that connects eight substations around the City. Each substation contains one or two large transformers that convert this voltage down to the distribution level of 13,800 volts. These transformers contain oil which is sampled and tested annually.

One transformer at Substation F has shown an increase in gases which indicate internal arcing. To ensure reliable operation of the substation, this transformer is being replaced with a spare transformer that was purchased in 2015. The transformers weigh approximately 80 tons each and this project includes the crane and heavy haul services to exchange the transformers. Electrical testing of the spare transformer is also being conducted before and after the move to verify that no internal damages occur during the move.

Discussion

Bids were received by the City on May 15, 2019 for the contract labor and materials for the substation testing and transport services. The four bids received were:

Bidder	Bid Price
Southwest Electric Company Tulsa, Oklahoma	\$91,359.00
Solomon Transformers, LLC Solomon, Kansas	\$104,426.40
Electro-Test & Maintenance, Inc. Rapid City, South Dakota	\$118,100.00
SPX Transformer Solutions, Inc. Waukesha, Wisconsin	\$160,843.65

Southwest Electric Company's bid contains no exceptions, meets all requirements and is under the engineer's estimate of \$120,000.00. Southwest Electric Company has completed similar projects in the Midwest has the experience to complete the project.

Based on a review of the bids received, the Southwest Electric Company's bid of \$91,359.00 is recommended by the Utilities Department as the lowest, compliant bid.

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 a future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the bid from Southwest Electric Company of Tulsa, Oklahoma, for Substation Transformer Testing and Transport Services in the amount of \$91,359.00.

Sample Motion

Move to approve the bid from Southwest Electric Company for Substation Transformer Testing and Transport Services in the amount of \$91,359.00.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: May 15, 2019 at 2:00 p.m.
FOR: Substation Transformer Testing and Transport Services (Re-Bid)
DEPARTMENT: Utilities
ESTIMATE: \$120,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: April 25, 2019
NO. POTENTIAL BIDDERS: 7

SUMMARY

Bidder:	<u>Eletro-Test & Maintenance, Inc.</u> Rapid City, SD	<u>SPX Transformer Solutions, Inc.</u> Waukesha, WI
Bid Security:	Merchants Bonding Co	Liberty Mutual Ins. Co.
Exceptions:	None	Noted
Bid Price:	\$118,100.00	\$160,843.65

Bidder:	<u>Southwest Electric Co.</u> Tulsa, OK	<u>Solomon Transformers, LLC</u> Solomon, KS
Bid Security:	Merchants Bonding Co.	Travelers Casualty & Surety Co.
Exceptions:	None	Noted
Bid Price:	\$91,359.00	\$104,426.40

cc: Tim Luchsinger, Utilities Director
Patrick Brown, Finance Director
Stacy Nonhof, Purchasing Agent

Pat Gericke, Utilities Admin. Asst.
Jerry Janulewicz, Interim City Administrator
Travis Spiehs, Electrical Engineer

P2127

RESOLUTION 2019-175

WHEREAS, the City of Grand Island invited sealed bids for Substation Transformer Testing and Transport Services, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on May 15, 2019, bids were received, opened and reviewed; and

WHEREAS, Southwest Electric Company of Tulsa, Oklahoma, 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 \$91,359.00; and

WHEREAS, the bid of Southwest Electric Company is less than the estimate for Substation Transformer Testing and Transport Services.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Southwest Electric Company in the amount of \$91,359.00 for Substation Transformer Testing and Transport Services, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, May 28, 2019.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 20, 2019	☐ City Attorney