



City of Grand Island

Tuesday, July 23, 2019
Council Session/Budget Work Session

Item G-8

#2019-216 - Approving the Proposal for Burdick Station Maintenance Building

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting: July 23, 2019

Subject: Burdick Station Maintenance Building

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

Background

The Burdick Station consists of three steam turbine generators and three gas turbines. Units #1 (operational 1956) and #2 (operational 1962) were decommissioned in 2016, and Unit #3 (operational 1972) was decommissioned in 2017. The cooling tower was used to condense steam for 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, and mitigating all hazardous materials.

The three gas turbines will remain operational at Burdick Station and provide peaking and emergency backup power to the City. A new maintenance building will be constructed in the location of the existing cooling tower for auxiliary equipment and to perform maintenance on the gas turbines and future generation. The area of the proposed building will be approximately 6,000 square feet.

Plant staff prepared specifications for the new Burdick facility based on the requirements included in the Black & Veatch study.

Discussion

The Request for Proposals for the Burdick Station Maintenance Building was publicly advertised in accordance with the City Purchasing Code and sent to three potential contractors. Only one proposal to complete the project using the design-build process was received from the following company:

Chief Construction, of Grand Island, Nebraska, in the amount of \$1,740,637.00

The proposal was reviewed by plant management staff and found compliant with specifications and less than the engineer's estimate of \$1,800,000.00.

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 presented in this motion

Recommendation

City Administration recommends that Council award the proposal for the Burdick Station Maintenance Building to Chief Construction of Grand Island, Nebraska as the best evaluated proposal, with a proposal price of not to exceed \$1,740,637.00.

Sample Motion

Move to approve the proposal from Chief Construction of Grand Island, Nebraska, for the Burdick Station Maintenance Building for a price not to exceed \$1,740,637.00.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

**REQUEST FOR PROPOSALS
FOR
BURDICK STATION MAINTENANCE BUILDING**

RFP DUE DATE: June 25, 2019 at 4:00 p.m.

DEPARTMENT: Utilities

PUBLICATION DATE: May 24, 2019

NO. POTENTIAL BIDDERS: 3

PROPOSALS RECEIVED

Chief Construction
Grand Island, NE

cc: Tim Luchsinger, Utilities Director
Jerry Janulewicz, Interim City Administrator
Stacy Nonhof, Purchasing Agent

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

P2135

RESOLUTION 2019-216

WHEREAS, the City of Grand Island requested proposals for Burdick Station Maintenance Building, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on June 25, 2019, one proposal was received, opened and reviewed; and

WHEREAS, Chief Construction, or Grand Island, Nebraska, supplied a proposal in an amount not to exceed \$1,740,637.00, in accordance with the terms of the advertisement and specifications, plans and all other statutory requirements contained therein.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the proposal from Chief Construction in an amount not to exceed \$1,740,637.00, is hereby approved as the lowest responsible proposal for the Burdick Station Maintenance Building.

- - -

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

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
July 19, 2019	☐ City Attorney