



City of Grand Island

Tuesday, August 27, 2019

Council Session

Item G-7

**#2019-251 - Approving the Supply and Delivery of Pebble Lime
2019 - 2022**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting: August 27, 2019

Subject: Supply and Delivery of Pebble Lime to the Platte
Generating Station 2019-2022

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

Background

The Mercury and Air Toxics Standard regulation compliance at Platte Generating Station was commissioned in 2014. The spray dry absorber system is used to inject a lime slurry injection into the boiler exhaust gas to remove acid gases from the flue gas. The gas leaving the spray dry absorber system will flow to a baghouse for particulate removal and a booster fan follows the baghouse to return the flue gas to the existing stack.

Pebble Lime is used to produce the required lime slurry. The pebble lime material must meet design specifications in order to produce a lime slurry that allows the plant to meet performance guarantees on this new system. Plant staff developed a Request for Proposals for the purchase of Pebble Lime from suppliers of this material. A Request for Proposals is used as there are variations in pebble lime materials provided by the various vendors.

Discussion

The request for proposal for the Supply and Delivery of Pebble Lime for Platte Generating Station was publically advertised in accordance with the City's Purchasing Code. Proposals from the following firms were received on August 14, 2019:

Company

Mississippi Lime, St. Louis, MO
Pete Lien & Sons, Inc., Rapid City, SD
Lhoist North America, Genevieve, MO
Graymont Western Lime, Inc., West Bend, WI

The department evaluated proposals primarily on the basis of cost and suitability of the product in meeting the system requirements and specifications. Additional review

considerations included quality control, company experience, strength of production supply chain, proposal responsiveness, transportation provisions, availability of technical support, commercial terms and flexibility in procurement quantities.

Pete Lien & Sons was determined to be the lowest total cost and best overall proposal that satisfied all requirements of the Request for Proposal specifications. They offered both a higher quality lime and an alternate lower quality lime. The lower quality lime is projected to be only \$514.54 less over the three-year period, or .04%. However, it will not perform as well in the slaking system and will generate more rejects which must be handled and disposed. Staff therefore recommends the higher quality product from the Laramie, Wyoming mine. The actual cost will be based on the amount used, however, the estimated cost of the pebble lime for the contract term is approximately \$1.3 million. A confidential Bid Tabulation is sent under separate cover.

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 Council award the Proposal for the Supply and Delivery of Pebble Lime for 2019-2022 to Pete Lien & Sons, Inc., of Rapid City, South Dakota.

Sample Motion

Move to approve the proposal from Pete Lien & Sons, Inc., Rapid City, South Dakota, for the Supply and Delivery of Pebble Lime 2019-2022 to the Platte Generating Station.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

**REQUEST FOR PROPOSALS
FOR
PLATTE GENERATING STATION
SUPPLY AND DELIVERY OF PEBBLE LIME
2019-2022**

RFP DUE DATE: August 14, 2019 at 4:00 p.m.

DEPARTMENT: Utilities

PUBLICATION DATE: July 25, 2019

NO. POTENTIAL BIDDERS: 7

PROPOSALS RECEIVED

Pete Lien & Sons, Inc.
Rapid City, SD

Graymont Western Lime, Inc.
West Bend, WI

Mississippi Lime Company
St. Louis, MO

Lhoist North America
Genevieve, MO

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

Pat Gericke, Utilities Admin. Assist.
Patrick Brown, Finance Director
Darrell Dorsey, PGS Plant Supt.

P2143

RESOLUTION 2019-251

WHEREAS, the City of Grand Island invited proposals for the Supply and Delivery of Pebble Lime to the Platte Generating Station, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on August 14, 2019, proposals were received, opened and reviewed; and

WHEREAS, Pete Lien & Sons, Inc., of Rapid City, South Dakota submitted a proposal in accordance with the terms of the advertisement of the proposal and plans and specifications 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 Pete Lien & Sons, Inc., for the Supply and Delivery of Pebble Lime for the Platte Generating Station is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, August 27, 2019.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	▣ _____
August 23, 2019	▣ City Attorney