



# City of Grand Island

Tuesday, March 9, 2021

Council Session

## Item G-2

**#2021-41 - Approving Bid Award - Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station - Spring 2021**

Staff Contact: Tim Luchsinger, Stacy Nonhof

# **Council Agenda Memo**

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

**Meeting:** March 9, 2021

**Subject:** Precipitator, Bottom Ash and Boiler Industrial Cleaning  
– Spring 2021 Outage

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

## **Background**

The electrostatic precipitator at the Platte Generating Station is the air quality control equipment used to remove coal ash particulates from the plant's boiler flue gas stream. Proper performance of this equipment is required as part of the plant's operating permit. Due to volume and characteristics of the coal ash, the precipitator must be grit blasted twice a year to remove ash build-up to allow the plant to remain below permitted emission levels. In addition to maintaining performance, removal of the ash deposits also allows an inspection of the precipitator internal surfaces and components. Along with the precipitator, the boiler, air preheater, and ductwork must be cleaned twice a year to remove ash deposits that form on the boiler tubes, air preheater, and fallout in the ductwork to maintain efficient operation of this equipment.

The next outage is scheduled for April of this year. Specifications were developed by the plant maintenance staff for the removal of ash deposits throughout the precipitator and boiler including grit blasting of the electrostatic precipitator, bulk vacuuming of the associated ductwork and hoppers, and high-pressure water wash of the bottom ash system.

## **Discussion**

The specifications for the Precipitator, Bottom Ash and Boiler Industrial Cleaning - Spring 2021 Outage were advertised and issued for bid in accordance with the City Purchasing Code. Bids were solicited from seven potential bidders and there were three responsive bidders. The engineer's estimate for this project was \$180,000. Bids were publicly opened on February 23, 2021.

Bidder	Bid Amount
Meylan Enterprises, Inc. - Omaha, Nebraska	\$ 196,311.99
AIMS Companies - Scottsdale, Arizona	\$ 222,277.75
W-S Industrial Services, Inc. – Council Bluffs, Iowa	\$ 237,893.85

The bids were reviewed by engineering staff and were all deemed to be in compliance with the specifications. All three corporations are responsible bidders who have completed similar scopes of work for the City.

In comparison, the bid from Meylan Enterprises, Inc., was the lowest acceptable bid, was more than the amount estimated. Engineering staff estimated the number of hours needed to complete the work along with the addition of needing to use explosives to remove hard ash in the boiler but did not increase the engineers estimate for the additional needed work.

The cost to perform this work is included in the annual operational and maintenance budget has sufficient funding budgeted, the engineering staff recommends an adjustment to the engineer’s estimate by the Department Director.

The bid from Meylan Enterprises, Inc., was otherwise found compliant with the specification.

### **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 approve the bid of Meylan Enterprises, Inc., of Omaha, Nebraska, as the low responsive bidder, with a bid in the amount of \$196,311.99.

### **Sample Motion**

Move to approve the bid in the amount of \$196,311.99 from Meylan Enterprises, Inc., for the Precipitator, Bottom Ash and Boiler Industrial Cleaning – Spring 2021 Outage.



Stacy Nonhof, Purchasing Agent

*Working Together for a  
Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** February 23, 2021 at 2:00 p.m.

**FOR:** Precipitator, Bottom Ash and Boiler Industrial Cleaning – Spring 2021 Outage

**DEPARTMENT:** Utilities

**ESTIMATE:** \$180,000.00

**FUND/ACCOUNT:** 520

**PUBLICATION DATE:** January 30, 2021

**NO. POTENTIAL BIDDERS:** 7

**SUMMARY**

**Bidder:** AIMS Companies  
Scottsdale, AZ

**Bid Security:** Argonaut Insurance Company

**Exceptions:** None

	<u>Materials</u>	<u>Labor</u>	<u>Sales Tax</u>	<u>Base Bid</u>
Abrasive Cleaning:	\$24,526.00	\$12,336.00	\$2,764.65	\$39,626.65
SDA Vessel Hydro:	\$ 2,799.00	\$2,132.00	\$ 369.83	\$ 5,300.83
Air Heater:	\$21,246.00	\$8,528.00	\$2,233.05	\$32,007.05
Boiler Detonation:	\$27,565.00	\$21,440.00	\$3,675.38	\$52,680.38
Hydro Blasting:	\$17,946.00	\$8,528.00	\$1,985.55	\$28,459.55
Vacuumping Services:	<u>\$29,676.00</u>	<u>\$30,048.00</u>	<u>\$4,479.30</u>	<u>\$64,203.30</u>
<b>Total Base Bid:</b>				<b>\$222,277.75</b>

**Bidder:** W-S Industrial Services, Inc.  
Council Bluffs, IA

**Bid Security:** Merchants Bonding Company  
**Exceptions:** Noted

	<u>Materials</u>	<u>Labor</u>	<u>Sales Tax</u>	<u>Base Bid</u>
<b>Abrasive Cleaning:</b>	\$24,978.00	\$30,340.00	\$3,872.26	\$59,190.26
<b>SDA Vessel Hydro:</b>	\$ 4,432.00	\$ 2,060.00	\$ 454.44	\$ 6,946.44
<b>Air Heater:</b>	\$ 8,640.00	\$19,254.00	\$1,952.58	\$29,846.58
<b>Boiler Detonation:</b>	\$18,340.00	\$16,260.00	\$2,422.00	\$37,022.00
<b>Hydro Blasting:</b>	\$17,552.00	\$18,560.00	\$2,527.84	\$38,639.84
<b>Vacuumping Service:</b>	<u>\$38,068.00</u>	<u>\$23,846.70</u>	<u>\$4,334.03</u>	<u>\$66,248.73</u>
<b>Total Base Bid:</b>				\$237,893.85

**Bidder:** Meylan Enterprises, Inc..  
Omaha, NE

**Bid Security:** Universal Surety Company  
**Exceptions:** None

	<u>Materials</u>	<u>Labor</u>	<u>Sales Tax</u>	<u>Base Bid</u>
<b>Abrasive Cleaning:</b>	\$5,500.00	\$39,835.00	\$3,400.13	\$48,735.13
<b>SDA Vessel Hydro:</b>	\$2,500.00	\$ 1,300.00	\$ 285.00	\$ 4,085.00
<b>Air Heater:</b>	\$19,710.00	\$ 7,578.00	\$2,046.60	\$29,334.60
<b>Boiler Detonation:</b>	\$13,336.80	\$16,800.00	\$2,260.26	\$32,397.06
<b>Hydro Blasting:</b>	\$10,000.00	\$11,088.00	\$1,581.60	\$22,669.60
<b>Vacuumping Service:</b>	<u>\$27,360.00</u>	<u>\$27,608.00</u>	<u>\$4,122.60</u>	<u>\$59,090.60</u>
<b>Total Base Bid:</b>				\$196,311.99

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

Pat Gericke, Utilities Admin. Assist.  
Patrick Brown, Finance Director  
Tylor Robinson, Production Engineer

**P2251**

## CONTRACT AGREEMENT

THIS AGREEMENT made and entered into by and between **MEYLAN ENTERPRISES, INC.** hereinafter called the Contractor, and the **CITY OF GRAND ISLAND, NEBRASKA**, hereinafter called the City.

WITNESSETH:

THAT, WHEREAS, in accordance with law, the City has caused contract documents to be prepared and an advertisement calling for bids to be published for PRECIPITATOR, BOTTOM ASH AND BOILER INDUSTRIAL CLEANING-SPING 2021 OUTAGE; and

WHEREAS, the City, in the manner prescribed by law, has publicly opened, examined, and canvassed the bids submitted, and has determined the aforesaid Contractor to be the lowest responsive and responsible bidder, and has duly awarded to said Contractor a contract therefore, for the sum or sums named in the Contractor's bid, a copy thereof being attached to and made a part of this Contract;

NOW, THEREFORE, in consideration of the compensation to be paid to the Contractor and of the mutual agreements herein contained, the parties have agreed and hereby agree, the City for itself and its successors, and the Contractor for itself, himself/herself, or themselves, and its, his/her, or their successors, as follows:

ARTICLE I. That the following documents shall comprise the Contract, and shall together be referred to as the "Agreement" or the "Contract Documents";

1. This Contract Agreement.
2. City of Grand Island's Specification for this project.
3. Meylan Enterprises, Inc.'s bid signed and dated February 19, 2021.

In the event of any conflict between the terms of the Contract Documents, the provisions of the document first listed shall prevail.

ARTICLE II. That the Contractor shall (a) furnish all tools, equipment, superintendence, transportation, and other construction materials, services and facilities; (b) furnish, as agent for the City, all materials, supplies and equipment specified and required to be incorporated in and form a permanent part of the completed work; (c) provide and perform all necessary labor; and (d) in a good substantial and workmanlike manner and in accordance with the requirements, stipulations, provisions, and conditions of the Contract documents as listed in the attached General Specifications, said documents forming the Contract and being as fully a part thereof as if repeated verbatim herein, perform, execute, construct and complete all work included in and covered by the City's official award of this Contract to the said Contractor, such award being based on the acceptance by the City of the Contractor's bid;

ARTICLE III. That the City shall pay to the Contractor for the performance of the work embraced in this Contract and the Contractor will accept as full compensation therefore the sum (subject to adjustment as provided by the Contract) of **One Hundred Ninety-Six Thousand Three Hundred Eleven and 99/100 Dollars (\$196,311.99)** for all services, materials, and work covered by and included in the Contract award and designated in the foregoing Article II; payments thereof to be made in cash or its equivalent in the manner provided in the General Specifications.

The total cost of the Contract includes:

	Materials	Labor	Applicable Sales Tax	Base Bid
Precipitator Abrasive Cleaning (Firm fixed pricing)	\$ 5,500.00	\$ 39,835.00	\$ 3,400.13	\$ 48,735.13
SDA Vessel Hydro Blasting (Firm fixed pricing)	\$ 2,500.00	\$ 1,300.00	\$ 285.00	\$ 4,085.00
Air Heater Hydro Blasting (Firm fixed pricing)	\$ 19,710.00	\$ 7,578.00	\$ 2,046.60	\$ 29,334.60
Boiler Detonation Blasting & Roding (Firm fixed pricing)	\$ 13,336.80	\$ 16,800.00	\$ 2,260.26	\$ 32,397.06
Hydro Blasting Services (Lump Sum – T&M)	\$ 10,000.00	\$ 11,088.00	\$ 1,581.60	\$ 22,669.60
Vacuuming Services (Lump Sum – T&M)	\$ 27,360.00	\$ 27,608.00	\$ 4,122.60	\$ 59,090.60
Total Base Bid			\$ 196,311.99	

Contractor Option 2

The City of Grand Island, Nebraska operates on a fiscal year beginning October 1st and ending on the following September 30th. It is understood and agreed that any portion of this agreement which will be performed in a future fiscal year is contingent upon the City Council adopting budget statements and appropriations sufficient to fund such performance.

ARTICLE IV. The Contractor hereby agrees to act as agent for the City in purchasing materials and supplies for the City for this project. The City shall be obligated to the vendor of the materials and supplies for the purchase price, but the Contractor shall handle all payments hereunder on behalf of the City. The vendor shall make demand or claim for payment of the purchase price from the City by submitting an invoice to the Contractor. Title to all materials and supplies purchased hereunder shall vest in the City directly from the vendor. Regardless of the method of payment, title shall vest immediately in the City. The Contractor shall not acquire title to any materials and supplies incorporated into the project. All invoices shall bear the Contractor's name as agent for the City. This paragraph will apply only to these materials and supplies actually incorporated into and becoming a part of the finished product of the PRECIPITATOR, BOTTOM ASH AND BOILER INDUSTRIAL CLEANING-SPING 2021 OUTAGE.

ARTICLE V. That the Contractor shall start work as soon as possible after the Contract is signed and the required bonds and insurance are approved, and that the Contractor shall deliver the equipment, tools, supplies, and materials F.O.B. **Platte Generating Station**, and complete the work on or before **May 9, 2021**.

ARTICLE VI. The Contractor agrees to comply with all applicable State fair labor standards in the execution of this Contract as required by Section 73-102, R.R.S. 1943. The Contractor further agrees to comply with the provisions of Section 48-657, R.R.S. 1943, pertaining to contributions to the Unemployment Compensation Fund of the State of Nebraska. During the performance of this Contract, the Contractor and all subcontractors agree not to discriminate in hiring or any other employment practice on the basis, of race, color, religion, sex, national origin, age or disability. The Contractor agrees to comply with all applicable Local, State and Federal rules and regulations. The Contractor agrees to maintain a drug-free workplace policy and will provide a copy of the policy to the City upon request. Every public contractor and his, her or its subcontractors who are awarded a contract by the City for the physical performance of services within the State of Nebraska shall register with and use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska.

ARTICLE VII. Gratuities and kickbacks: City Code states that it is unethical for any person to offer, give, or agree to give any City employee or former City employee, or for any City employee or former City employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor. It shall be unethical for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

**MEYLAN ENTERPRISES, INC.**

By \_\_\_\_\_ Date \_\_\_\_\_  
Title \_\_\_\_\_

**CITY OF GRAND ISLAND, NEBRASKA**

By \_\_\_\_\_ Date \_\_\_\_\_  
Mayor  
Attest: \_\_\_\_\_  
City Clerk

The Contract is in due form according to law and hereby approved.

\_\_\_\_\_  
Attorney for the City Date \_\_\_\_\_



RESOLUTION 2021-41

WHEREAS, the City of Grand Island invited sealed bids for Precipitator, Bottom Ash and Boiler Industrial Cleaning – Spring 2021, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on February 23, 2021, bids were received, opened, and reviewed; and

WHEREAS, Meylan Enterprises, Inc., of Omaha, 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 \$196,311.99; and

WHEREAS, the bid from Meylan Enterprises, Inc., is within the annual operation and maintenance budget and it is the lowest responsible bid for Precipitator, Bottom Ash and Boiler Industrial Cleaning – Spring, 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Meylan Enterprises, Inc., in the amount of \$196,311.99, for Precipitator, Bottom Ash and Boiler Industrial Cleaning – Spring, 2021, is hereby approved as the lowest responsible bid.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, March 9, 2021.

\_\_\_\_\_  
Roger G. Steele, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
March 5, 2021	☐ City Attorney