



# City of Grand Island

Tuesday, March 9, 2021

Council Session

## Item G-3

**#2021-42 - Approving Bid Award - Boiler Inspection and Repair 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:** Boiler Inspection and Repair - Spring 2021 Outage

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

## Background

During the spring outage at Platte Generating Station, the boiler must be inspected and repaired for damages that occur during operation. The spring 2021 outage is currently scheduled for April 22, 2021 through May 9, 2021, during which time inspection and maintenance on the boiler will be performed. This package of work on the boiler includes hydro testing of the boiler with inspection for tube leaks and tube repairs, boiler tube alignment attachment repairs, and the installation of tube shields. Plant engineering staff developed the specifications issued for bids covering this scope of work.

## Discussion

The specifications for Boiler Inspection and Repair - Spring 2021 Outage was advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on February 23, 2021. Specifications were sent to five potential bidders and responses were received as listed below. The engineer's estimate for this project was \$150,000.00.

Bidder	Base Bid
Locke AMI, LLC Olathe, Kansas	\$ 90,158.00
Hayes Mechanical LaVista, Nebraska	\$128,132.00

The bids were reviewed by Utility Engineering Staff and exceptions were noted. The exceptions from Locke AMI, LLC were reviewed and found to be acceptable. The bid from Locke AMI, LLC was otherwise found compliant with the 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 Boiler Inspection and Repair-Spring 2021 Outage to Locke AMI, LLC of Olathe, Kansas, as the low responsive bidder, with the bid in the amount of \$90,158.00.

## **Sample Motion**

Move to approve the bid of \$90,158.00 from Locke AMI, LLC for the Boiler Inspection and Repair - Spring 2021 Outage at Platte Generating Station.



Stacy Nonhof, Purchasing Agent

*Working Together for a  
Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** February 23, 2021 at 2:15 p.m.  
**FOR:** Boiler Inspection & Repair – Spring 2021 Outage  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$150,000.00  
**FUND/ACCOUNT:** 520  
**PUBLICATION DATE:** January 31, 2021  
**NO. POTENTIAL BIDDERS:** 5

**SUMMARY**

<b>Bidder:</b>	<b><u>Locke AMI</u></b> Olathe, KS	<b><u>Hayes Mechanical</u></b> La Vista, NE 68128
<b>Bid Security:</b>	<b>Continental Casualty Co.</b>	<b>Great American Insurance Co.</b>
<b>Exceptions:</b>	<b>Noted</b>	<b>Noted</b>
<b>Bid Price:</b>		
<b>Material:</b>	<b>\$24,072.00</b>	<b>\$ 19,400.00</b>
<b>Labor:</b>	<b>\$66,086.00</b>	<b>\$108,390.00</b>
<b>Sales Tax:</b>	<b><u>\$ 0</u></b>	<b><u>\$ 342.00</u></b>
<b>Total Bid:</b>	<b>\$90,158.00</b>	<b>\$128,132.00</b>

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

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

**P2252**

## CONTRACT AGREEMENT

THIS AGREEMENT made and entered into by and between **LOCKE AMI, LLC**, 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 BOILER INSPECTION AND REPAIR - 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. Locke AMI, LLC.'s bid signed and dated February 10, 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 **Ninety Thousand One Hundred Fifty-Eight and no/100 Dollars (\$90,158.00)** 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:

Base Bid:

Mobilization/Demobilization	\$ 24,072.00
Labor (T&M)	<u>66,086.00</u>
Total Base Bid	\$ 90,158.00

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 BOILER INSPECTION AND REPAIR-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.

**LOCKE AMI, LLC**

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 2021-42

WHEREAS, the City of Grand Island invited sealed bids for Boiler Inspection and Repair – 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, Locke AMI, LLC, of Olathe, Kansas, 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 \$90,158.00; and

WHEREAS, the bid of Locke AMI, LLC is less than the estimate for Boiler Inspection and Repair - Spring, 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Locke AMI, LLC, in the amount of \$90,158.00 for Boiler Inspection and Repair – Spring, 2021, is hereby approved as the lowest responsible bid.

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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