



City of Grand Island

Tuesday, June 8, 2021

Council Session

Item G-3

#2021-129 - Approving Generation Study - Engineering Services

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting: June 8, 2021

Subject: Generation Study - Engineering Services

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

Background

The City of Grand Island has several sources of generation to meet the capacity requirements of the Southern Power Pool with a total generating capacity of 238 MW and a peak City load of 170 MW. As this generation ages and environmental requirements change, Department staff have discussed what generation mix would best meet these capacity requirements. The Department was planning on demolishing the decommissioned Burdick building and installing a 10MW reciprocating internal combustion engine on that site to replace a 14 MW combustion turbine that is 53 years old, however, the project was suspended due to the unknown economic impact of the pandemic. The recent event in February placed an unprecedented demand on the Department's generating units in severe weather conditions during which areas of improvement for both operating procedures and equipment were identified.

An outside review of the meeting generation capacity requirements now and in the future, as well as improvements for operation in severe weather events, was considered necessary by management staff to best determine the long term operating strategy of the Department.

Discussion

A Request for Proposal for Engineering Services for the Generation Study was publicly advertised in accordance with the City purchasing code. Proposals from the following firms were received:

Black & Veatch, Overland Park, Kansas
Sargent and Lundy, Chicago, Illinois
Shermco Industries, LaVista, Nebraska

Using a matrix of the Department's established evaluation criteria, which included pricing and commercial terms, fees, company and personnel experience, contract forms, and proposal responsiveness, these proposals were reviewed by Department staff. A tabulation of the evaluation factors resulted in Sargent & Lundy as the best respondent.

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 the Council award the Proposal for Generation Study - Engineering Services to Sargent & Lundy of Chicago, Illinois, as the best evaluated proposal, with a proposal price of not to exceed \$116,000.00.

Sample Motion

Move to approve the proposal from Sargent & Lundy of Chicago, Illinois, for the Generation Study - Engineering Services for a price not to exceed \$116,000.00.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

**REQUEST FOR PROPOSAL
FOR
GENERATION STUDY – ENGINEERING SERVICES**

RFP DUE DATE: April 29, 2021 at 4:00 p.m.

DEPARTMENT: Utilities

PUBLICATION DATE: April 2, 2021

NO. POTENTIAL BIDDERS: 5

PROPOSALS RECEIVED

Shermco Industries – IA/NE
LaVista, NE

Black & Veatch Corporation
Overland Park, KS

Sargent & Lundy
Chicago, IL

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

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

P2271

RESOLUTION 2021-129

WHEREAS, the City of Grand Island invited Request for Proposals for Generation Study Engineering Services, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on April 29, 2021, proposals were received, opened and reviewed; and

WHEREAS, Sargent & Lundy of Chicago, Illinois, submitted a proposal in accordance with the terms of the advertisement of proposals and plans and specifications and all other statutory requirements contained therein, such proposal being an amount not to exceed \$116,000.00; and

WHEREAS, the proposal from Sargent & Lundy has been evaluated as the best proposal.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the proposal for Generation Study Engineering Services from Sargent & Lundy is hereby approved as the lowest responsible proposal for a cost not to exceed \$116,000.00.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 8, 2021.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 3, 2021	☐ City Attorney