



City of Grand Island

Tuesday, June 22, 2021

Council Session

Item G-8

**#2021-141 - Approving Bid Award - Electrostatic Precipitator
Transformer-Rectifier**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting: June 22, 2021

Subject: Electrostatic Precipitator Transformer-Rectifier Replacement

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

Background

Platte Generating Station operates with an electrostatic precipitator designed to remove fly ash from the flue gas of a coal-fired boiler. The system, implemented in 1983, is designed such that an electric potential is created onto collecting plates and discharge electrodes. These plates and electrodes then attract particulate matter to them. After collecting the particulate matter, a system of rappers is used to “shake” the collected particulate off into a collecting chamber. In order to abide by the EPA regulations, the electrostatic precipitator needs to be running at optimal efficiency.

The transformer-rectifier is the main component that creates the high electric potential needed to attract the fly ash. After being in service for almost 40 years, three need to be replaced. The tanks that hold the insulating oil, rectifier, and the high step-up transformer are showing signs of severe rust near the bottom. At some point the rust could cause the oil to leak through and cause the transformer to overheat and fail.

Discussion

Specifications for the Electrostatic Precipitator Transformer-Rectifier Replacement were advertised and issued for bid in accordance with the City purchasing code. Bids were publicly opened on June 8, 2021. The engineer’s estimate for this project was \$150,000.00.

Bidder	Bid Price
The Babcock & Wilcox Company Newport News, Virginia	\$270,337.00
Redkoh Industries Hillsborough, New Jersey	\$162,000.00
NWL, Inc. Bordentown, New Jersey	\$161,950.00

Bids were reviewed by plant engineering staff. During the site inspection, a couple of the tanks were found to be severely rusted. The contractors added the cost to fabricate a containment in the event the bottoms of the tanks give out during removal. This cost was not included in the engineers estimate, however, is needed for safe removal of the transformer-rectifier.

The cost to perform this work is included in the annual operational and maintenance budget and within the annual budget for maintenance of this type. Since this project is not a capital construction project and rather an operation and maintenance expense that has sufficient funding budgeted, the engineering staff recommends an adjustment to the engineer's estimate by the department head. The Department can show that these funds have been appropriated for this work and that this decision will be fiscally responsible.

Redkoh and The Babcock & Wilcox Company could not comply with the required schedule constraints. NWL Inc., was otherwise found compliant with the specifications and approximately 7.4% higher 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 the Electrostatic Precipitator Transformer-Rectifier Replacement to NWL Inc., of Bordentown, New Jersey, as the low responsive bidder, with the bid in the amount of \$161,950.00.

Sample Motion

Move to approve the bid in the amount of \$ 161,950.00 for the Electrostatic Precipitator Transformer-Rectifier Replacement to NWL Inc.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: June 8, 2021 at 2:00 p.m.
FOR: Electrostatic Precipitator Transformer-Rectifier
DEPARTMENT: Utilities
ESTIMATE: \$150,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: May 19, 2021
NO. POTENTIAL BIDDERS: 3

SUMMARY

Bidder:	<u>NWL Transformers, Inc.</u> Bordentown, NJ	<u>Redkoh Industries, Inc.</u> Hillsborough, NY
Bid Security:	Check	Check
Exceptions:	None	Noted
Bid Price:		
Materials:	\$125,500.00	\$86,500.00
Installation:	\$ 24,057.00	\$15,000.00
Labor:	\$ 12,393.00	\$60,500.00
Sales Tax:	\$ -0-	-0-
Total Bid:	\$161,950.00	\$162,000.00

Bidder:	<u>Babcock & Wilcox</u> Akron, OH
Bid Security:	Berkley Insurance Co.
Exceptions:	Noted
Bid Price:	
Materials:	\$ 70,422.00
Installation:	\$192,015.00
Labor:	Included Above
Sales Tax:	\$ 5,280.00
Total Bid:	\$270,337.00

cc: Tim Luchsinger, Utilities Director

Pat Gericke, Utilities Admin. Assist.

Jerry Janulewicz, City Administrator
Stacy Nonhof, Purchasing Agent
Karen Nagel, Utilities Secretary

Patrick Brown, Finance Director
Ryan Kruse, Production Engineer

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RESOLUTION 2021-141

WHEREAS, the City of Grand Island invited sealed bids Electrostatic Precipitator Transformer-Rectifier Replacement, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on June 8, 2021, bids were received, opened and reviewed; and

WHEREAS, NWL, Inc., of Bordentown, New Jersey, 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 \$161,950.00; and

WHEREAS, during the site inspection, a couple of the tanks were found to be severely rusted, and the contractors added the cost to fabricate a containment in the event the bottoms of the tanks give out during removal; and

WHEREAS, the cost of the containment was not included in the Engineer's Estimate, it is needed for the safe lowering of the Transformer-Rectifier; and

WHEREAS, the cost to perform this work is included in the annual Operational and Maintenance budget and within the annual budget for maintenance of this type.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of NWL, Inc., in the amount of \$161,950.00, is hereby approved as the lowest responsible bid.

Adopted by the City Council of the City of Grand Island, Nebraska, June 22, 2021.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☒ _____
June 17, 2021	☒ City Attorney