



# City of Grand Island

Tuesday, November 8, 2022

Council Session

## Item G-3

**#2022-315 - Approving Contract for Engineering Services**

Staff Contact: Tim Luchsinger, Stacy Nonhof

# Council Agenda Memo

**From:** Timothy Luchsinger, Utilities Director  
Stacy Nonhof, Assistant City Attorney

**Meeting:** November 8, 2022

**Subject:** Approving Contract for Engineering Services

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

## Background

The Utilities Department retains the services of a consulting engineer to perform required reoccurring engineering tasks. The current engineering services contract expires on December 31, 2022. A Request for Proposals to perform the following tasks over the next five (5) years were developed by Department management staff.

- 1) Every three (3) years, as good practice, the Utilities Department performs Electric & Water Cost of Service Studies to analyze its revenue stream as well as its internal processes to verify future sustainability. The current scope of work will include the following:
  - 2023 Water Cost of Service Study
  - 2026 Water Cost of Service Study
  - 2024 Electric Cost of Service Study
  - 2027 Electric Cost of Service Study
- 2) The Utilities Department has a Power Purchase Agreement with the Western Area Power Administration (WAPA). As part of this agreement, the Utilities Department is required to provide WAPA with an Integrated Resource Plan every five (5) years. The current scope of work will include the following:
  - 2027 Integrated Resource Plan
- 3) Every four (4) years, the Public Works Department performs a Sewer Cost of Service Study to analyze its revenue stream as well as its internal processes to verify future sustainability. The current scope of work will entail the following:
  - 2023 Wastewater Cost of Service Study
  - 2027 Wastewater Cost of Service Study

## **Discussion**

The Request for Proposal was advertised on Tuesday, September 20, 2022, and three (3) proposals were received on Tuesday, October 18, 2022, from the following Consultants:

JK Energy Consulting – Smithfield, NE  
Nebraska Municipal Power Pool – Lincoln, NE  
GDS Associates – Marietta, GA

Using a matrix of the Utility Department's established evaluation criteria, which included Proposal Responsiveness, Company Experience, Personnel Experience, Commercial Terms, and Engineering Fees, the proposals were reviewed by both Utility and Public Works Department personnel. A tabulation of the evaluation factors favored the proposal of JK Energy Consulting. Total fees to be paid to JK Energy Consulting to perform these tasks over the five-year term of the contract are approximately \$119,500.00, which are also the lowest fees of the proposals submitted.

## **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 Contract for Engineering Services to JK Energy Consulting of Lincoln, Nebraska.

## **Sample Motion**

Move to approve the resolution authorizing the Mayor to execute a contract with JK Energy Consulting of Lincoln, Nebraska for Engineering Services for the Utilities Department in the amount of \$119,500.00.



Stacy Nonhof, Purchasing Agent

*Working Together for a  
Better Tomorrow, Today*

**REQUEST FOR PROPOSAL  
FOR  
ENGINEERING SERVICES**

**RFP DUE DATE:** October 18, 2022 at 4:00 p.m.  
**DEPARTMENT:** Utilities  
**PUBLICATION DATE:** September 26, 2022  
**NO. POTENTIAL BIDDERS:** 6

**PROPOSALS RECEIVED**

**JK Energy Consulting, LLC**  
Smithfield, NE

**GDS Associates, Inc.**  
Marietta, GA

**Nebraska Municipal Power Pool**  
Lincoln, NE

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

Ryan Schmitz, Assist. Utility Director  
Patrick Brown, Finance Director

**P2403**

## ENGINEERING SERVICES - CONTRACT AGREEMENT

THIS AGREEMENT made and entered into by and between **JK ENERGY CONSULTING, 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 proposals to be published for *ENGINEERING SERVICES* and

WHEREAS, the City, in the manner prescribed by law, has evaluated the proposals submitted, and has determined the aforesaid Contractor to be the responsible proposer, and has duly awarded to the said Contractor a contract therefore, for the sum or sums named in the Contractor's proposal, portions 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, him/herself, or themselves, and its, his, 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. JK Energy Consulting Proposal dated October 18, 2022.
3. City of Grand Island Request for Proposals.

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) provide and perform all necessary labor; and (c) 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 proposal;

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 Nineteen Thousand Five Hundred and no/100 Dollars (\$119,500.00)** for all services 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:	\$	119,500.00
Sales Tax on Materials/Equipment:	\$	.00
Sales Tax on Labor:	\$	<u>.00</u>
Total	\$	119,500.00

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. The invoice for contractor's services will be paid after approval at the next regularly scheduled City Council meeting and occurring after departmental approval of invoice. The City Council typically meets the second and fourth Tuesday of each month. Invoices must be received well in advance of Council date to allow evaluation and processing time.

ARTICLE V. 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.

**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.

**JK ENERGY CONSULTING LLC**

By  Date October 25, 2022

Title President / Sole Owner

**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 2022-315

WHEREAS, the City of Grand Island invited proposals for Engineering Services, according to plans and specifications on file with the Utilities and Public Works Departments; and

WHEREAS, on October 18, 2022 proposals were received, opened and reviewed; and

WHEREAS, JK Energy Consulting of Smithfield, Nebraska, submitted a proposal in accordance with the terms of the advertisement and plans and specifications and all other statutory requirements contained therein, such proposal being in the amount of \$119,500.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that proposal from JK Energy Consulting for Engineering Services for the Utilities Department is hereby approved and the Mayor is hereby authorized to sign the Contract on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, November 8, 2022.

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

Attest:

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

Approved as to Form	☒ _____
November 4, 2022	☒ City Attorney