



# City of Grand Island

Tuesday, April 9, 2013

Council Session

## Item G-4

**#2013-93 - Approving Bid Award - Burdick Units 1 & 3 Battery System Replacements**

Staff Contact: Tim Luchsinger, Stacy Nonhof

# **Council Agenda Memo**

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

**Meeting:** April 9, 2013

**Subject:** Burdick Station Units 1 & 3 Battery Replacement

**Item #'s:** G-4

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

## **Background**

Battery banks on Steam Units 1 & 3 at Burdick Station provide a backup source of power in the event that the units were to trip and auxiliary power is lost. This backup source is used for oil pumps that safely allow the turbine to coast down, emergency lighting, and in the case of Unit #1, they provide a power source to “blackstart” Gas Turbine 1. The current batteries have been in service for 30 years, expected normal battery life is 20 years. Through diligent maintenance, the life of the batteries has been extended, but they are now in need of replacement. An engineering firm was hired to evaluate the current system, including determining if combining the two battery banks was economical. It was determined that the additional electrical work would exceed the cost of the second battery bank, however, other recommendations to bring the emergency power system into compliance with modern standards were made and are being implemented, and specifications were developed to replace the batteries on Units 1 & 3.

## **Discussion**

Specifications for the replacement of Burdick Station Units 1 & 3 batteries were issued for bid and responses were opened on March 26, 2013, from the following bidders. The engineer’s estimate for this project was \$140,000.00.

Bidder	Bid Price, w/tax
Action Battery Wholesalers, Inc., Somerset, WI	\$79,999.99
Storage Battery Systems, Inc., Menomonee Falls, WI	\$61,076.00

The bids were reviewed for conformance with the specifications and found to be compliant. The bid from Storage Battery Systems did not include sale/use tax. Adding the 7% sales/use tax of \$3,433.64 to their bid would make their final bid be \$64,509.64.

Plant engineering staff found the bid to be otherwise compliant and recommends award of the Burdick Units 1 & 3 Battery Replacement contract to Storage Battery Systems, Inc., of Menomonee Falls, Wisconsin, as the low compliant bid.

### **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Make a motion 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**

The Utilities Department recommends that the Council award the contract for Burdick Unit 1 & 3 Battery System Replacement, to Storage Battery Systems of Menomonee Falls, Wisconsin, as the low bidder, in the amount of \$61,509.64.

### **Sample Motion**

Move to approve the bid of Storage Battery Systems, Inc., in the amount of \$64,509.64, for the Burdick Unit 1 & 3 Battery Systems Replacement Project.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** March 26, 2013 at 2:30 p.m.  
**FOR:** Burdick Unit 1 & 3 Battery System Replacement (Re-Bid)  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$140,000.00  
**FUND/ACCOUNT:** 520  
**PUBLICATION DATE:** March 15, 2013  
**NO. POTENTIAL BIDDERS:** 9

**SUMMARY**

<b>Bidder:</b>	<u>Storage Battery Systems</u> Menomonee Falls, WI	<u>Action Battery Wholesalers, Inc.</u> Somerset, WI
<b>Bid Security:</b>	Old Republic Surety Co.	Auto-Owners Ins. Co.
<b>Exceptions:</b>	None	Noted
<b>Bid Price:</b>		
<b>Battery Bank:</b>	\$41,213.00	\$34,716.00
<b>Chargers – Unit 1:</b>	\$ 7,839.00	\$17,941.00
<b>Labor:</b>	\$12,024.00	\$23,657.00
<b>Sales Tax:</b>	--	<u>\$ 3,685.99</u>
<b>Total Bid:</b>	<u>\$61,076.00</u>	<u>\$79,999.99</u>

cc: Tim Luchsinger, Utilities Director  
Mary Lou Brown, City Administrator  
Stacey Nonhof, Purchasing Agent  
Lynn Mayhew, Assist. Utilities Director

Bob Smith, Assist. Utilities Director  
Pat Gericke, Utilities Admin. Assist.  
Karen Nagel, Utilities Secretary

**P1634**

RESOLUTION 2013-93

WHEREAS, the City of Grand Island invited sealed bids for Burdick Station Units 1 & 3 Battery Replacement, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on March 26, 2013, bids were received, opened and reviewed; and

WHEREAS, Storage Battery Systems, Inc., of Menomonee Falls, Wisconsin, 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 \$64,509.64; and

WHEREAS, the bid of Storage Battery Systems, Inc., is less than the estimate for the Burdick Station Units 1 & 3 Battery Replacement.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Storage Battery Systems, Inc., of Menomonee Falls, Wisconsin, in the amount of \$64,509.64, for Burdick Station Units 1 & 3 Battery Replacement, is hereby approved as the lowest responsible bid and that and the Mayor is hereby authorized to execute the contract on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, April 9, 2013.

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Jay Vavricek, Mayor

Attest:

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

Approved as to Form	☐ _____
April 5, 2013	☐ City Attorney