



# City of Grand Island

Tuesday, April 9, 2013

Council Session

## Item G-5

**#2013-94 - Approving Bid Award - Feedwater Heater #5  
Installation at Platte Generating Station**

Staff Contact: Tim Luchsinger, Stacy Nonhof

# **Council Agenda Memo**

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

**Meeting Date:** April 9, 2013

**Subject:** Feedwater Heater #5 Installation

**Item #'s:** G-5

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

## **Background**

The Platte Generating Station utilizes five stages of boiler feedwater heaters in its steam cycle. These feedwater heaters are specialized heat exchangers that use steam from the main turbine-generator to preheat the boiler feedwater and improve the overall plant steam cycle efficiency. One of the feedwater heaters has internal leakage problems which make control of its operation difficult and wall thinning of the feedwater heater tubes is occurring. The present heater is original to the plant and weighs approximately 18 tons. On December 4, 2012 a contract for a replacement heater was awarded to Thermal Engineering International for \$376,500. Specifications for the installation of this heater were developed by plant engineering staff.

## **Discussion**

The specifications for the Feedwater Heater #5 Installation were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on March 26, 2013. 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	Bid Price
Hayes Mechanical, Omaha, NE	\$ 84,150.00
Thermal Engineering Services, Royersford, PA	\$112,743.00
8760 Energy Services, Sedalia, MO	\$132,315.00
Associated Mechanical, Inc., Shawnee Mission, KS	\$160,867.00

The bids were reviewed by plant engineering staff. The bid from Hayes Mechanical is compliant with 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:

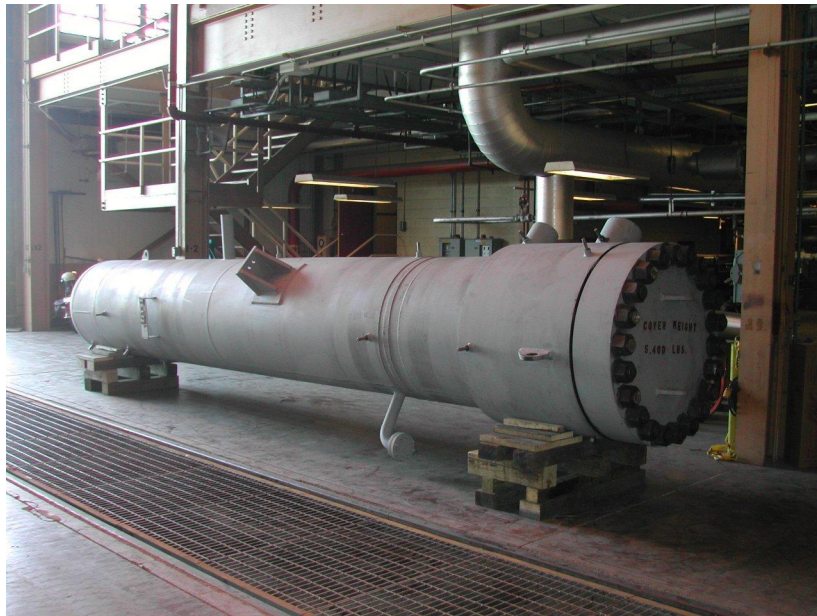
1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

City Administration recommends that the Council award the Contract for Feedwater Heater #5 Installation to Hayes Mechanical of Omaha, Nebraska, as the low responsive bidder, with the bid price of \$84,150.00.

## **Sample Motion**

Move to approve the bid from Hayes Mechanical for the Feedwater Heater #5 Installation in the amount of \$84,150.00.





Stacy Nonhof, Purchasing Agent

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**BID OPENING**

**BID OPENING DATE:** March 26, 2013 at 2:00 p.m.  
**FOR:** Feedwater Heater #5 Installation  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$150,000.00  
**FUND/ACCOUNT:** 520  
**PUBLICATION DATE:** March 6, 2013  
**NO. POTENTIAL BIDDERS:** 5

**SUMMARY**

<b>Bidder:</b>	<b><u>8760 Energy Services</u></b> Sedalia, MO	<b><u>Associated Mechanical, Inc.</u></b> Shawnee Mission, KS
<b>Bid Security:</b>	International Fidelity Ins. Co.	International Fidelity Ins. Co.
<b>Exceptions:</b>	Noted	None

<b>Bid Price:</b>		
<b>Material:</b>	\$ 12, 600.00	\$ 13,990.00
<b>Labor:</b>	\$118,833.00	\$145,897.00
<b>Sales Tax:</b>	\$ 882.00	\$ 980.00
<b>Total:</b>	\$132,315.00	\$160,867.00

<b>Bidder:</b>	<b><u>Thermal Engineering Services</u></b> Royersford, PA	<b><u>Hayes Mechanical</u></b> Omaha, NE
<b>Bid Security:</b>	Atlantic Specialty Ins. Co.	Great American Ins. Co.
<b>Exceptions:</b>	Noted	None

<b>Bid Price:</b>		
<b>Material:</b>	\$ 36,592.00	\$ 2,245.00
<b>Labor:</b>	\$ 73,590.00	\$82,505.00
<b>Sales Tax:</b>	\$ 2,561.00	\$ 400.00
<b>Total:</b>	\$112,743.00	\$84,150.00

cc: Tim Luchsinger, Utilities Director

Bob Smith, Assist. Utilities Director

Mary Lou Brown, City Administrator  
Stacy Nonhof, Purchasing Agent

Pat Gericke, Utilities Admin. Assist.  
Ryan Schmitz, Utilities Dept.

**P1626**

RESOLUTION 2013-94

WHEREAS, the City of Grand Island invited sealed bids for Feedwater Heater #5 Installation at Platte Generating Station, 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, Hayes Mechanical of Omaha, Nebraska, 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 \$84,150.00; and

WHEREAS, the bid of Hayes Mechanical is less than the estimate for the Feedwater Heater #5 Installation.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Hayes Mechanical, in the amount of \$84,150.00, for Feedwater Heater #5 Installation at Platte Generating Station, is hereby approved as the lowest responsible bid and that the Mayor is hereby authorized to, on behalf of the City, execute the contract between the City of Grand Island and Hayes Mechanical.

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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