



City of Grand Island

Tuesday, April 23, 2013

Council Session

Item G-9

**#2013-114 - Approving Recommendation for Acceptance of
Electric System Consulting Engineer**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting: April 23, 2013

Subject: Recommendation for Acceptance of Electric System
Consulting Engineer

Item #'s: G-9

Presenter(s): Timothy Luchsinger, Utilities Director

Background

As part of electric system bond covenants, the City of Grand Island is required by revenue bond provisions to retain a consulting engineer or engineering firm on a continuous basis for the purpose of providing engineering counsel in its operations of the properties of the Electric System. As a part of such service, the consulting engineer shall prepare biannually a report or survey with respect to the electric system; the management of the business thereof; the operation and maintenance of the properties thereof, and compliance by the City with the covenants contained in the revenue bond ordinance. This is to ensure that the electric system is being operated in a business manner in respect to its operations and financial condition.

Lutz, Daily, & Brain, of Kansas City, has served as the City's Consulting Engineer since 1953, however, Utilities Department management elected to survey the current market of service suppliers and solicit proposals to ensure that the interests of the City and its bondholders are being maintained in the highest manner. The intent of the Request for Proposal was to retain the services of the consulting engineer for a five year period, including preparation of the Biannual Report and other management services that may be required.

Discussion

The RFP for Electric System Consulting Engineer was drafted by utilities staff and advertised in accordance with City procurement procedures. Proposals were received from the following firms:

Company	Location
Black & Veatch	Overland Park, Kansas
Burns & McDonnell	Kansas City, Missouri
HDR	Omaha, Nebraska
Lutz, Daily & Brain	Overland Park, Kansas
Olsson's & Associates	Lincoln, Nebraska

The proposals were reviewed by senior department management staff and evaluated by the following factors and weighting.

1. Proposal Responsiveness (x 1)
2. Company Experience (x 2)
3. Personnel Experience (x 2)
4. Commercial Terms (x 1)
5. Engineering Fees (x 1)

All companies are nationally recognized consulting firms performing engineering services for municipal electric systems. Based on the scoring from the evaluation team, the Utilities Department recommends that Burns & McDonnell be awarded the Electric System Consulting Engineer services, including preparation of the 2013 Biannual Report, for a not-to-exceed amount of \$24,000.

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 Burns & McDonnell of Kansas City, Missouri, the Electric System Consulting Engineer Services, including preparation of the 2013 Biannual Report, for a not-to-exceed amount of \$24,000.

Sample Motion

Move to award Burns & McDonnell the Electric System Consulting Engineer Services, including preparation of the 2013 Biannual Report for a not-to-exceed amount of \$24,000.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

**REQUEST FOR PROPOSAL
FOR
ELECTRIC SYSTEM CONSULTING ENGINEERING SERVICES**

RFP DUE DATE: March 28, 2013 at 4:15 p.m.

DEPARTMENT: Utilities

PUBLICATION DATE: March 8, 2013

NO. POTENTIAL BIDDERS: 7

SUMMARY OF PROPOSALS RECEIVED

Olsson Associates
Lincoln, NE

Black & Veatch
Overland Park, KS

Lutz, Daily, & Brain, Inc.
Overland Park, KS

HDR
Omaha, NE

Burns & McDonnell
Kansas City, MO

cc: Tim Luchsinger, Utilities Director
Mary Lou Brown, City Administrator
Stacy Nonhof, Purchasing Agent

Bob Smith, Assist. Utilities Director
Jaye Monter, Interim Finance Director
Pat Gericke, Utilities Admin. Assist.

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RESOLUTION 2013-114

WHEREAS, as part of electric system bond covenants, the City is required by revenue bond provisions to retain a consulting engineer or engineering firm on a continuous basis for the purpose of providing to the City engineering counsel in its operations of the properties of the Electric System; and

WHEREAS, as a part of this service, the consulting engineer shall prepare biannually a report with respect to the Electric System to ensure that the electric system is being operated in a business manner in respect to its operations and financial condition; and

WHEREAS, a Request for Proposals for Electric System Consulting Engineer was prepared to ensure that the interests of the City and its bondholders are being maintained in the highest manner, and

WHEREAS, five proposals were received by the March 28, 2013 deadline; and

WHEREAS, based on the scoring from the Utilities Department evaluation team, Burns & McDonnell of Kansas City, Missouri has been selected to be awarded the Electric System Consulting Engineer for a five year period, including preparation of the 2013 Biannual Report for a not-to-exceed amount of \$24,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the firm of Burns & McDonnell of Kansas City, Missouri, is selected to be the Consulting Engineer for Electric Utilities Department according to the Electric System revenue bond covenants.

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Adopted by the City Council of the City of Grand Island, Nebraska, April 23, 2013.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
April 19, 2013	☐ City Attorney