



City of Grand Island

Tuesday, August 12, 2014

Council Session

Item G-10

**#2014-208 - Approving Bid Award - Voltage Regulator Upgrade at
Platte Generating Station - Spring Outage 2015**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting Date: August 12, 2014

Subject: Voltage Regulator Upgrades-Spring Outage 2015

Item #'s: G-10

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

Background

The Platte Generating Station utilizes an exciter that provides the DC excitation power necessary to induce a magnetic field on the generator's rotor; which in turn induces current on the generator's stator coils to produce power. The exciter is by design the voltage regulator for the generator and is critical to plant operation. The existing exciter is powered by 30+ year old transformers and the manufacturer no longer guarantees readily available service or parts for the existing system, which creates a reliability issue. This project will replace the existing exciter and transformers, which will modernize the system and improve reliability.

Discussion

The specifications for the Voltage Regulator Upgrades - Spring Outage 2015, were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on July 8, 2014. The engineer's estimate for this project was \$550,000.00.

Bidder	Bid Price	*Adjusted Sales Tax	Tech Training	Total Bid Price
ABB, Inc. St. Laurent, Quebec, Canada	\$515,246	*\$ 19,270	\$ 9,720	\$ 544,236.00
GE Energy Control Solutions, Inc., Longmont, CO	\$575,000	\$ 21,840	\$ 3,250	\$ 600,090.00

*Sales tax was adjusted for comparison purposed due to ABB not including sales tax and GE Energy's sales tax was adjusted to reflect sales tax on materials only.

The bids were reviewed and exceptions regarding general contract provisions were noted with the ABB bid. The bid from ABB was otherwise found compliant with the 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 Council award the Contract for the Voltage Regulator Upgrades - Spring Outage 2015, to ABB, Inc., of St-Laurent, Quebec, Canada, as the low responsive bidder, with the bid in the amount of \$544,236.00.

Sample Motion

Move to approve the bid in the amount of \$544,236.00 from ABB, Inc., for the Voltage Regulator Upgrades - Spring Outage 2015 at Platte Generating Station.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: July 8, 2014 at 2:00 p.m.
FOR: Voltage Regulator Upgrades – Spring Outage 2015
DEPARTMENT: Utilities
ESTIMATE: \$550,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: June 6, 2014
NO. POTENTIAL BIDDERS: 3

SUMMARY

Bidder:	<u>GE Energy Control Solutions, Inc.</u> Longmont, CO	<u>ABB, Inc.</u> St-Laurent, Quebec, Canada
Bid Security:	North American Specialty Ins. Co.	Westchester Fire Ins. Co.
Exceptions:	Noted	Noted
Bid Price:		
Material:	\$312,000.00	\$275,291.00
Labor:	\$263,000.00	\$239,955.00
Sales Tax:	<u>\$ 40,250.00</u>	<u>Exception</u>
Total Bid:	\$615,250.00	\$515,246.00
Alternate Technical		
Training:	\$ 3,250.00	\$ 9,720.00 (Factory) \$15,570.00 (Site)

cc: Tim Luchsinger, Utilities Director
Mary Lou Brown, City Administrator
Stacy Nonhoff, Purchasing Agent
Ryan Schmitz, PGS

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

P1742

RESOLUTION 2014-208

WHEREAS, the City of Grand Island invited sealed bids for Voltage Regulator Upgrade for the Spring Outage, 2015 at Platte Generating Station, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on July 8, 2014, bids were received, opened and reviewed; and

WHEREAS, ABB Inc., of St. Laurent, Quebec, Canada, 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 \$544,236.00; and

WHEREAS, the bid of ABB, Inc., is less than the estimate for the Voltage Regulator Upgrade.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid ABB, Inc., of St. Laurent, Quebec, Canada, in the amount of \$544,236.00 for the Voltage Regulator Upgrade, Spring Outage - 2015, at Platte Generating Station, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, August 12, 2014.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
August 11, 2014	☐ City Attorney