



City of Grand Island

Tuesday, August 12, 2014

Council Session

Item G-7

#2014-205 - Approving Bid Award - Cooling Tower Stacks and Fan Blades 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: August 12, 2014

Subject: Cooling Tower Stacks and Fan Blades

Item #'s: G-7

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

Background

A cooling tower is utilized by the circulating water system which condenses the steam exiting the turbine generating unit at the Platte Generating Station. The cooling tower fan blades and the fan stacks are made of fiberglass and require periodic replacement due to erosion, aging and UV deterioration. PGS staff prepared specifications to replace the fan blades and four of the five stacks on the cooling tower; the fifth stack having been replaced in 2013. Bidders were also allowed to bid various alternatives on the components that had the potential to be more cost effective replacements or improvements.

Discussion

The specifications for the Cooling Tower Stacks and Fan Blades were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on July 31, 2014. The engineer's estimate for this project was \$441,000.00.

Bidder	Bid Price	Adjustments	Adjusted Bid Price
EvapTech, Inc.	\$ 244,505.00	-\$ 40,039.00	\$
204,466.00			
Lenexa, KS			
Cooling Tower Depot	\$ 215,180.00	\$ 8,458.00	\$ 223,638.00
Golden, CO			
Midwest Cooling Towers, Inc.	\$ 217,592.66	\$ 8,381.24	\$ 225,973.90
Chickasha, OK			
International Cooling Tower	\$ 290,892.00	0\$	\$ 290,892.00
Edmonton, AB Canada			

The bids were reviewed by plant engineering staff. Adjustments were made to each of the proposals to derive an equitable comparison of the bid pricing as related to the options that were provided by the bidders. The bids were then adjusted based on the provision of the same style of fan blades and the same design for the stacks, resulting in the adjusted bid pricing reflected above. The bid from EvapTech was adjusted to allow for an equitable comparison of fan cone options. EvapTech, Inc., as the lowest compliant bidder, was found compliant with the specifications and was priced 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 Cooling Tower Stacks and Fan Blades to EvapTech, Inc., of Lenexa, Kansas, as the low responsive bidder, with the bid in the amount of \$204,466.00.

Sample Motion

Move to approve the bid in the amount of \$204,466.00 from EvapTech, Inc., for the Cooling Tower Stacks and Fan Blades.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: July 31, 2014 at 2:00 p.m.
FOR: Cooling Tower Stacks and Fan Blades
DEPARTMENT: Utilities
ESTIMATE: \$441,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: July 9, 2014
NO. POTENTIAL BIDDERS: 5

SUMMARY

Bidder:	<u>International Cooling Tower</u> Edmonton, AB Canada	<u>Cooling Tower Depot</u> Golden, CO
Bid Security:	The Hartford Fire Ins. Co.	Argonaut Insurance Co.
Exceptions:	None	Noted
Bid Price:		
Material:	\$198,000.00	\$164,596.00
Labor:	\$ 79,000.00	\$ 39,062.00
Sales Tax:	<u>\$ 13,892.00</u>	<u>\$ 11,522.00</u>
Total Bid:	<u>\$290,892.00</u>	<u>\$215,180.00</u>
Option 1 – New		
Fan Hub Assembly:	Included	\$3,466.00 per cell

Bidder:	<u>Midwest Cooling Towers, Inc.</u>	<u>EvapTech, Inc.</u>
	Chickasha, OK	Lenexa, KS
Bid Security:	Capitol Indemnity Corp.	Western Surety Co.
Exceptions:	None	None

Bid Price:		
Material:	\$162,068.89	\$178,630.00
Labor:	\$ 45,913.56	\$ 53,370.00
Sales Tax:	<u>\$ 9,610.21</u>	<u>\$ 12,505.00</u>
Total Bid:	\$217,592.66	\$244,505.00

Option 1 – New		
Fan Hub Assembly: \$5,720.91 each		\$235,487.00

cc:	Tim Luchsinger, Utilities Director	Bob Smith, Assist. Utilities Director
	Mary Lou Brown, City Administrator	Jaye Monter, Finance Director
	Stacy Nonhof, Purchasing Agent	Pat Gericke, Utilities Admin. Assist.
	Karen Nagel, Utility Secretary	Darrell Dorsey, PGS

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RESOLUTION 2014-205

WHEREAS, the City of Grand Island invited sealed bids for Cooling Tower Stacks and Fan Blades at Platte Generating Station, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on July 31, 2014, bids were received, opened and reviewed; and

WHEREAS, EvapTech, Inc., of Lenexa, Kansas, 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 \$204,466.00; and

WHEREAS, the bid of EvapTech, Inc., is less than the estimate for the Cooling Tower Stacks and Fan Blades.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of EvapTech, Inc., in the amount of \$204,466.00, for Cooling Tower Stacks and Fans Blades, 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