



City of Grand Island

Tuesday, August 12, 2014

Council Session

Item G-8

#2014-206 - Approving Bid Award - Precipitator, Bottom Ash and Boiler Industrial Cleaning - Fall 2014 Outage 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: Precipitator, Bottom Ash and Boiler Industrial Cleaning at
Platte Generating Station – Fall 2014 Outage

Item #'s: G-8

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

Background

The electrostatic precipitator at the Platte Generating Station is the air quality control equipment used to remove coal ash particulates from the plant's boiler flue gas stream. Proper performance of this equipment is required as part of the plant's operating permit. Due to volume and characteristics of the coal ash, the precipitator must be grit blasted twice a year to remove ash build-up to allow the plant to remain below permitted emission levels. In addition to maintaining performance, removal of the ash deposits also allows an inspection of the precipitator internal surfaces and components.

The next outage is scheduled for October of this year. Specifications were developed by the plant maintenance staff for the removal of ash deposits throughout the precipitator and boiler including grit blasting of the electrostatic precipitator, bulk vacuuming of the associated ductwork and hoppers, blasting deposits from boiler tubing and high pressure water wash of the bottom ash system.

Discussion

The specifications for the Precipitator, Bottom Ash and Boiler Industrial Cleaning - Fall 2014 Outage were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on July 15, 2014. Specifications were sent to five potential bidders and responses were received as listed below. The engineer's estimate for this project was \$125,000.00.

	Precipitator Cleaning	Explosive Deslagging	Vacuum Service	Adjusted Pricing	High Pressure Water Blast
Meylan Enterprises, Omaha, Nebraska					
Materials	\$ 2,580.00	\$15,800.00	\$24,000.00	-\$12,000.00	\$ 9,000.00
Labor	\$27,575.00	\$13,200.00	\$35,350.00	-\$17,675.00	\$13,950.00
Subtotal	\$30,155.00	\$29,000.00	\$59,350.00	-\$29,675.00	\$22,950.00
Sales Tax	\$ 2,110.85	\$ 2,030.00	\$ 4,154.50	-\$ 2,077.25	\$ 1,606.50
Total Bid with Tax	\$151,356.85		Adjusted \$119,604.60		

W-S Industrial Services, Inc., Council Bluffs, Iowa					
Materials	\$39,186.24	\$46,422.00	\$24,943.20	---	\$20,299.20
Labor	\$16,740.00	\$ 3,840.00	\$19,794.00	---	\$11,130.00
Subtotal	\$55,926.24	\$50,262.00	\$44,737.20	---	\$31,429.20
Sales Tax	\$ 3,914.83	\$ 3,518.34	\$ 3,131.60	---	\$ 2,200.04
Total Bid with Tax	\$195,119.45				

The bids were reviewed by plant engineering staff. The bid from Meylan Enterprises had an error in the Vacuum Service portion of the bid in which the bid cost was doubled. This error was reviewed with the vendor, and Meylan Enterprises submitted a correction on the base bid for that portion of the work, with a subtotal of \$29,675.00. The tax amount would be \$2,077.25. This brings the corrected bid from Meylan down to a total with tax, of \$119,604.60.

The bidders listed no exceptions to the specifications. The bid from Meylan Enterprises, Inc. is compliant with specifications and as adjusted, is 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 Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station - Fall 2014 Outage, to Meylan Enterprises, Inc., of Omaha, Nebraska, as the low responsive bidder, with the total bid price (including taxes), of \$119,604.60.

Sample Motion

Move to approve the bid (including taxes) of \$119,604.60, from Meylan Enterprises, Inc., for the Precipitator, Bottom Ash and Boiler Industrial Cleaning during the fall 2014 Outage at Platte Generating Station.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: July 15, 2014 at 2:00 p.m.

FOR: Precipitator, Bottom Ash & Boiler Industrial
Cleaning – Fall 2014 Outage

DEPARTMENT: Utilities

ESTIMATE: \$125,000.00

FUND/ACCOUNT: 520

PUBLICATION DATE: June 30, 2014

NO. POTENTIAL BIDDERS: 5

SUMMARY

Bidder: Meylan Enterprises
Omaha, NE

Bid Security: Universal Surety Co.

Exceptions: None

Bid Price:	Precipitator Abrasive Cleaning	Explosive Deslagging	Vacuum Service	HP Wash/Water Blasting
Material:	\$ 2,580.00	\$15,800.00	\$24,000.00	\$ 9,000.00
Labor:	\$27,575.00	\$13,200.00	\$35,350.00	\$13,950.00
Sales Tax:	<u>\$ 2,110.85</u>	<u>\$ 2,030.00</u>	<u>\$ 4,154.50</u>	<u>\$ 1,606.50</u>
Total Base Bid	\$151,356.85			

Bidder: W-S Industrial Services, Inc.
Council Bluffs, IA
Bid Security: **Merchants Bonding Co.**
Exceptions: None

Bid Price:

	Precipitator Abrasive Cleaning	Explosive Deslagging	Vacuum Service	HP Wash/Water Blasting
Material:	\$39,186.24	\$46,422.00	\$24,943.20	\$20,299.20
Labor:	\$16,740.00	\$ 3,840.00	\$19,794.00	\$11,130.00
Sales Tax:	<u>\$ 3,914.83</u>	<u>\$ 3,518.34</u>	<u>\$ 3,131.60</u>	<u>\$ 2,200.04</u>
Total Base Bid	\$195,119.45			

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

Bob Smith, Assist. Utilities Director
Jaye Monter, Finance Director
Pat Gericke, Utilities Admin. Assist.
Darrell Dorsey, PGS Superintendent

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RESOLUTION 2014-206

WHEREAS, the City of Grand Island invited sealed bids for Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station – Fall 2014 Outage, according to plans and specifications on file with the Utilities Department; and

WHEREAS, July 15, 2014, bids were received, opened and reviewed; and

WHEREAS, Meylan Enterprises 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 \$119,604.60; and

WHEREAS, the bid of Meylan Enterprises is less than the estimate for the Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station – Fall 2014 Outage.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Meylan Enterprises, in the amount of \$119,604.60, for Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station – Fall 2014 Outage, 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