



City of Grand Island

Tuesday, September 9, 2014

Council Session

Item G-9

**#2014-266 - Approving Bid Award for Steam Generator Boiler
Repair 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: September 9, 2014

Subject: Steam Generator Boiler Repair – Platte Generating Station

Item #'s: G-9

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

Background

Every spring and fall, planned outages are conducted to perform inspections and maintenance on the boiler at Platte Generating Station. The fall of 2014 outage is scheduled for October 1 through October 19, 2014, during which time maintenance on the boiler will be performed. The inspection of the boiler includes inspections, testing and repair of the internal boiler parts such as installing several steam coils, installing test ports on the fuel lines, performing boiler tube wall thickness measurements, installing boiler tube shields, and replacing a steam trap drain line. Plant engineering staff developed specifications to repair the noted deficiencies to be issued for bids.

Discussion

The specifications for the Steam Generator Boiler Repair were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on August 12, 2014. The engineer's estimate for this project was \$200,000.00.

Bidder	Bid Price	T & M	Total
8760 Service Group, LLC Sedalia, MO	\$ 44,294.00	\$ 76,170.00	\$120,464.00
ProEnergy Services, LLC Sedalia, MO	\$ 70,553.00	\$ 58,770.00	\$129,323.00
Hayes Mechanical Omaha, NE	\$ 57,597.00	\$128,395.00	\$185,992.00
Plibrico Company, LLC Omaha, NE	\$ 93,127.00	\$106,829.00	\$199,956.00
Bidder	Bid Price	T & M	Total

TEI Construction Services, Inc. Magnolia, TX	\$173,938.00	\$ 85,500.00	\$259,438.00
Sterling Boiler & Mechanical Inc. Evansville, IN	\$192,354.00	\$ 95,410.00	\$287,764.00
Industry Services Co., Inc. Theodore, AL	\$149,800.00	\$140,000.00	\$289,800.00
Associated Mechanical, Inc. Olathe, KS	\$194,614.00	\$126,214.00	\$322,828.00
Steam Control Systems, Inc. Chattanooga, TN	\$389,128.00	\$109,800.00	\$498,928.00

The bids were reviewed by plant engineering staff. The two lowest bids contained material errors and are non-compliant with the specification. The bid from Hayes Mechanical in the amount of \$185,922.00 was found to be compliant with the specification 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 Steam Generator Boiler Repair to Hayes Mechanical of Omaha, Nebraska, as the low responsive bidder, with the bid in the amount of \$185,922.00.

Sample Motion

Move to approve the bid of \$185,922.00 from Hayes Mechanical for the Steam Generator Boiler Repair at Platte Generating Station.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: August 12, 2014 at 2:00 p.m.
FOR: Steam Generator Boiler Repair
DEPARTMENT: Utilities
ESTIMATE: \$200,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: July 19, 2014
NO. POTENTIAL BIDDERS: 6

SUMMARY

Bidder:	<u>ProEnergy Services, LLC</u> Sedalia, MO	<u>Plibrico Company LLC</u> Omaha, NE
Bid Security:	Westchester Fire Insurance Co.	Berkley Insurance Co.
Exceptions:	None	None
Bid Price:		
Material:	\$25,465.00	\$ 5,450.00
Labor:	\$45,088.00	\$86,100.00
Sales Tax:	-----	\$ 381.50
Total Bid:	\$70,553.00	\$93,127.00
Not-to-Exceed T&M:	\$58,770.00	\$106,829.00
Bidder:	<u>Steam Control Systems, Inc.</u> Chattanooga, TN	<u>8760 Service Group, LLC</u> Sedalia, MO
Bid Security:	Cincinnati Insurance Co.	International Fidelity Insurance Co.
Exceptions:	None	None
Bid Price:		
Material:	\$138,175.00	\$ 9,970.00
Labor:	\$239,208.00	\$33,626.00
Sales Tax:	\$ 11,745.00	\$ 698.00
Total Bid:	\$389,128.00	\$44,294.00
Not-to-Exceed T&M:	\$109,800.00	\$76,170.00

Bidder:	<u>Industry Services Co., Inc.</u> Theodore, AL	<u>TEI Constructions Services, Inc.</u> Magnolia, TX
Bid Security:	The Ohio Casualty Insurance Co.	Westchester Fire Insurance Co.
Exceptions:	None	Noted
Bid Price:		
Material:	\$ 12,100.00	\$ 7,760.00
Labor:	\$128,000.00	\$163,080.00
Sales Tax:	\$ 9,800.00	\$ 3,098.00
Total Bid:	\$149,800.00	\$173,938.00
Not-to-Exceed T&M:	\$140,000.00	\$ 85,500.00

Bidder:	<u>Associated Mechanical Inc.</u> Olathe, KS	<u>Hayes Mechanical</u> Omaha, NE
Bid Security:	Mid-Continent Casualty Co.	Great American Insurance Company
Exceptions:	None	None
Bid Price:		
Material:	\$ 11,540.00	\$ 4,280.00
Labor:	\$182,266.00	\$52,741.33
Sales Tax:	\$ 808.00	\$ 575.67
Total Bid:	\$194,614.00	\$57,597.00
Not-to-Exceed T&M:	\$126,214.00	\$128,395.00

Bidder:	<u>Sterling Boiler & Mechanical, Inc.</u> Evansville, IN
Bid Security:	Liberty Mutual Insurance Co.
Exceptions:	Noted
Bid Price:	
Material:	\$ 89,235.00
Labor:	\$103,119.00
Sales Tax:	----
Total Bid:	\$192,354.00
Not-to-Exceed T&M:	\$95,410.00

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

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

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RESOLUTION 2014-266

WHEREAS, the City of Grand Island invited sealed bids for Steam Generator Boiler Repair at Platte Generating Station, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on August 12, 2014, 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 \$185,922.00; and

WHEREAS, the bid of Hayes Mechanical, is less than the estimate for Steam Generator Boiler Repair.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Hayes Mechanical of Omaha, Nebraska, in the amount of \$185,922.00, for Steam Generator Boiler Repair, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, September 9, 2014.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
September 5, 2014	☐ City Attorney