



City of Grand Island

Tuesday, November 25, 2014

Council Session

Item G-2

#2014-345 - Approving Bid Award for Performance Testing of Air Quality Control System

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting Date: November 25, 2014

Subject: AQCS Performance and Emissions Monitor Certification
Testing at Platte Generating Station

Item #'s: G-2

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

Background

On December 21, 2011, EPA released the Mercury and Air Toxics Standards (MATS), requiring the maximum achievable control technology for mercury and other hazardous pollutants from electric generating units, with a compliance date of March 2015, although an additional one year for compliance may be granted by individual states. The City of Grand Island hired Kiewit Engineering to study the best options available to meet the MATS requirements. Kiewit developed a specification for an Engineering Procurement Contract (EPC) and it was publicly bid.

On January 8, 2013, Council approved and the City of Grand Island entered in to an Engineering Procurement Contract with AMEC of Tucker, Georgia, to install a scrubber, baghouse, and mercury removal system at the Platte Generating Station for \$41,189,331.00. Performance testing of the new control equipment is required to assure the guarantees for emissions, power and water consumption are met by AMEC. The contract specifies Grand Island Utilities Department is to hire the testing firm with specifications developed by AMEC, Kiewit Engineering, and plant staff.

Discussion

The specifications for the AQCS Performance and Emissions Monitor Certification Testing at Platte Generating Station were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on October 30, 2014. The engineer's estimate for this project was \$120,000.00.

Bidder	Material	Labor	Taxes	Bid Price
Airtech Environmental Services, Inc. Arvada, CO	\$32,296.00	\$ 49,364.00	\$5,716	\$ 87,376.00
Grace Consulting Plainfield, IN		\$ 95,900.00		\$ 95,900.00
Mostardi Platt Environmental Elmhurst, IL	\$ 4,870.00	\$106,342.00		\$ 111,212.00
Clean Air Engineering Palatine, IL	\$97,053.04	\$ 37,351.96		\$ 134,405.00

The bids were reviewed by Utility Plant Staff. The taxes on the Airtech Environmental Services, Inc. bid were adjusted to include tax for materials only in the amount of \$2,261.00, for a total adjusted bid price of \$83,921.00. It is otherwise compliant with 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 AQCS Performance and Emissions Monitor Certification Testing at Platte Generating Station to Airtech Environmental Services, Inc., of Arvada, Colorado, as the low responsive bidder, with the bid in the amount of \$83,921.00.

Sample Motion

Move to approve the bid in the amount of \$83,921.00, from Airtech Environmental Services, Inc., for the AQCS Performance and Emissions Monitor Certification Testing at Platte Generating Station.



Stacy Nonhof, Purchasing Agent

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BID OPENING

BID OPENING DATE: October 30, 2014 at 2:00pm

FOR: AQCS Performance & Emissions Monitor Certification Testing

DEPARTMENT: Utilities

ESTIMATE: \$120,000.00

FUND/ACCOUNT: 520

PUBLICATION DATE: October 18, 2014

NO. POTENTIAL BIDDERS: 9

SUMMARY

Bidder:	<u>Clean Air Engineering</u> Palatine, IL	<u>Grace Consulting</u> Plainfield, IN
Bid Security:	Cashier's Check	Cashier's Check
Exceptions:	None	Noted
Bid Price:		
Material:	\$97,053.04	No Bid
Labor:	\$37,351.96	\$95,900.00
Sales Tax:	---	---
Total:	<u>\$134,405.00</u>	<u>\$95,900.00</u>

Bidder:	<u>Airtech Environmental Services, Inc.</u> Elk Grove, IL	<u>Mostardi Platt Environmental</u> Elmhurst, IL
Bid Security:	Cashier's Check	Cashier's Check
Exceptions:	None	Noted
Bid Price:		
Material:	\$32,296.00	\$ 4,870.00
Labor:	\$49,364.00	\$106,342.00
Sales Tax:	\$ 5,716.00	---
Total:	<u>\$87,376.00</u>	<u>\$111,212.00</u>

cc: Tim Luchsinger, Utilities Director
Mary Lou Brown, City Administrator
Jaye Monter, Finance Director

Emily Muth, Utilities
Karen Nagel, Utilities
Stacy Nonhof, Assistant City Attorney

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RESOLUTION 2014-345

WHEREAS, the City of Grand Island invited sealed bids for Air Quality Control System Performance and Emissions Monitor Certification Testing, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on October 30, 2014, bids were received, opened and reviewed; and

WHEREAS, Airtech Environmental Service, Inc., of Arvada, Colorado, 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 \$83,921.00; and

WHEREAS, the bid of Airtech Environmental Services, Inc., is less than the estimate for the Air Quality Control System Performance and Emissions Monitor Certification Testing.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Airtech Environmental Services, Inc., in the amount of \$83,921.00, for Air Quality Control System Performance and Emissions Monitor Certification Testing, is hereby approved as the lowest responsible bid and that and the Mayor is hereby authorized to, on behalf of the City, execute the Contract between the City of Grand Island and Airtech Environmental Services, Inc.

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Adopted by the City Council of the City of Grand Island, Nebraska, November 25, 2014.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form ✕ _____
November 21, 2014 ✕ City Attorney