



# City of Grand Island

Tuesday, September 10, 2002

Council Session

## Item G13

### **#2002-279 - Approving Bid Award - 2003 - 2004 Coal Supply - Platte Generating Station, Utilities**

*Background:*

*The contract for coal supply to PGS expires December 31, 2002. Therefore, bids were solicited for continued supply.*

*Discussion:*

*The contract for coal supply for calendar years 2003 and 2004 was advertised and published in accordance with the City Procurement Code. Bid documents were sent to six prospective bidders. Six bids were received: Triton Coal, RAG Energy, Arch Coal Inc., Peabody Coal Sales Company (provided two bids from different mines; North Antelope and Caballo), and Kennecott Energy. All bids were evaluated for contract compliance and delivered price F.O.B. at PGS. The best bid was received from RAG Energy Sales, Inc.*

*Recommendation:*

*It is the recommendation of the Utilities Department that the 2003 - 2004 Coal Supply Agreement be awarded to RAG Energy Sales, Inc., of Englewood, Colorado.*

*Fiscal Effects:*

*Continuation of fuel supply to the Platte Generating Station.*

*Alternatives:*

*Award to one of the other bidders. See attached RESOLUTION.*

Staff Contact: Gary R. Mader; Dale Shotkoski



Dale M. Shotkoski, Assistant City Attorney

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Better Tomorrow, Today*

**REQUEST FOR PROPOSAL  
FOR COAL SUPPLY AGREEMENT**

**RFP DUE DATE:** August 29, 2002 at 11:15 a.m.

**FOR:** Coal Supply

**DEPARTMENT:** Utilities

**PUBLICATION DATE:** August 12, 2002

**NO. POTENTIAL BIDDERS:**

**SUMMARY OF PROPOSALS RECEIVED**

<b>Bidder:</b>	<b>Peabody Coal Sales Company St. Louis, MO</b>	<b>Triton Coal Company LLC Lexington, KY</b>
<b>Bidder:</b>	<b>RAG Energy Sales Inc. Englewood, CO</b>	<b>Kennecott Energy Co. Gillette, WY</b>
<b>Bidder:</b>	<b>Arch Coal, Inc. Midvale, Utah</b>	

cc: Gary R. Mader, Utilities Director  
RaNae Edwards, City Clerk  
David Springer, Finance Director  
Dale Shotkoski, Purchasing Agent



R E S O L U T I O N 2002-279

WHEREAS, the City of Grand Island invited bids for 2003-2004 Coal Supply Agreement for the Utilities Department, according to the plans and specifications on file in the Purchasing Division of the Legal Department; and

WHEREAS, in accordance with the City Council Study Session of October 5, 1998, it was stipulated that bid prices and/or final award prices would not be publicly disclosed; and

WHEREAS, on August 29, 2002, bids were received, opened and reviewed; and

WHEREAS, RAG Energy Sales, Inc. of Englewood, Colorado, submitted a bid in accordance with the terms of the advertisement of bids and the plans and specifications and all other statutory requirements contained therein; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of RAG Energy Sales, Inc. of Englewood, Colorado for the 2003-2004 Coal Supply Agreement is approved as the lowest responsive bid submitted.

BE IT FURTHER RESOLVED, that an agreement between the City and such contractor be entered into for such project; and the Mayor is hereby authorized and directed to execute such contract on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, September 10, 2002.

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RaNae Edwards, City Clerk

Approved as to Form ? _____
September 6, 2002 ? City Attorney