



City of Grand Island

Tuesday, July 13, 2004

Council Session

Item G12

**#2004-159 - Approving Bid Award for Turbine Steam Seal
Packing - Platte Generating Station**

Staff Contact: Gary R. Mader; Dale Shotkoski

Council Agenda Memo

From: Gary R. Mader, Utilities Director
Dale Shotkoski, Asst. City Attorney/Purchasing

Meeting: July 13, 2004

Subject: Bid Award for Turbine Steam Seal Packing
- Platte Generating Station

Item #'s: G-12

Presenter(s): Gary R. Mader, Utilities Director

Background

Plant staff has observed significant changes in the operating characteristics of the Platte Generating Station over the last few months, and has been working to determine the cause. Outside equipment engineers and testing firms have been consulted. The major source of change is excessive steam leakage between the high pressure and intermediate pressure sections of the steam turbine. This leakage causes reduced boiler reheat steam flows which affects boiler operation as it is calibrated to maintain reheat steam temperature. Steam leakage between turbine sections is controlled by labyrinth toothed shaft seals, commonly referred to as steam seal packing. The steam seal packing prevents steam leakage between the stationary turbine casings and the rotating shaft, and between turbine sections, in a severe working environment. Turbine steam inlet conditions are 1800psi at 1000⁰ F. The turbine at Platte has been in service since 1982 and the packing has never been replaced. The Utilities Department solicited bids for replacement steam seal packing, springs, and bolts. These components are planned for installation during a scheduled maintenance outage this fall.

Discussion

The specifications for the replacement turbine steam seal packing were issued for bid in accordance with the City Procurement Code. Responses were received from the following bidders. The engineer's estimate for this contract was \$170,000.

<u>Bidder</u>	<u>Bid price</u>
GE Energy Parts, Cincinnati, OH	\$ 67,402.08
TurboCare, Inc, Chicopee, MA	\$ 74,883.00
Power Generation Services, Inc., Anoka, MN	\$ 99,500.00
Turbo Parts, LLC, Ballston Spa, NY	\$139,300.00

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the award for the Turbine Steam Seal Packing.
2. Deny the purchase of the Turbine Steam Seal Packing.
3. Table the issue.

Recommendation

The Utilities Department staff reviewed the bids for compliance with the City's detailed specifications. The Utilities Department recommends that the purchase contract for this equipment be awarded to the low compliant bidder, GE Energy Parts, in the amount of \$67,402.08.

Sample Motion

I move the award for purchase of the turbine steam seal packing in the amount of \$67,402.08 be awarded to GE Energy Parts from Cincinnati, Ohio.

Purchasing Division of Legal Department
INTEROFFICE MEMORANDUM



Dale M. Shotkoski, Assistant City Attorney

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: June 24, 2004 at 11:00 a.m.

FOR: Turbine Steam Seal Packing

DEPARTMENT: Utilities - PGS

ESTIMATE: \$170,000.00

FUND/ACCOUNT: E-520

PUBLICATION DATE: June 10, 2004

NO. POTENTIAL BIDDERS: 6

SUMMARY

Bidder:	<u>GE Energy Parts</u> Cincinnati, OH	<u>Power Generation Service, Inc.</u> Anoka, MN
Bid Security:	Liberty Mutual Ins. Co.	United States Fidelity
Exceptions:	None	None
Bid Price:	\$68,040.96	\$99,500.00

Bidder:	<u>TurboCare, Inc.</u> Chicopee, MA	<u>Turbo Parts, LLC</u> Ballston Spa, NY
Bid Security:	Federal Insurance Co.	\$6,965.00
Exceptions:	None	None
Bid Price:	\$74,883.00 (Tax not included)	\$139,300.00 (Tax not included)

Bidder:	<u>MVP Turbine Repair, Inc.</u> Barnhart, MO
Bid Security:	\$4,787.85
Exceptions:	Non
Bid Price:	\$95,757.08

RESOLUTION 2004-159

WHEREAS, the City of Grand Island invited sealed bids for Turbine Steam Seal Packing, according to plans and specifications on file at the Platte Generating Station; and

WHEREAS, on June 24, 2004, bids were received, opened and reviewed; and

WHEREAS, GE Energy Parts of Cincinnati, Ohio, submitted a bid in accordance with the terms of the advertisement of bids and the specifications and all other statutory requirements contained therein, such bid being in the amount of \$67,402.08; and

WHEREAS, GE Energy Parts' bid is less than the engineer's estimate for such project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of GE Energy Parts of Cincinnati, Ohio, in the amount of \$67,402.08 for turbine steam seal packing is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, July 13, 2004.

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
July 8, 2004	☐ City Attorney