



# City of Grand Island

Tuesday, October 25, 2005

Council Session

## Item G15

**#2005-310 - Approving Bid Award for Replacement Gas Turbine  
Generator Voltage Control System - Burdick Generating Station**

Staff Contact: Gary R. Mader; DaleShotkoski

# **Council Agenda Memo**

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

**Meeting:** October 25, 2005

**Subject:** Replacement Gas Turbine Generator Voltage Control System – Burdick Generating Station

**Item #'s:** G-15

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

## **Background**

Gas Turbine Unit #1 (GT #1) at Burdick Station was installed in 1967. This unit remains an integral part of the Electric Utility's generating mix. It is used for peaking duty when City electric demand is above the capacity of PGS and it is the prime mover for black start capability. At nearly 40 years since installation, replacement of critical control systems is necessary due to obsolescence and lack of replacement parts and support. The unit's turbine control systems were replaced in 2000 with up to date electronic equipment.

GT #1 generator control systems are still the original systems which have been obsolete for some time. It is the recommendation of the Utilities Department that the generator control systems be replaced. Specifications for a replacement generator control system were prepared and issued for bid in accordance with the City Procurement Code.

## **Discussion**

The specifications for "Replacement Gas Turbine Generator Voltage Control System – Burdick Generating Station" were issued for bid. Two bids were received as tabulated below. The Engineers Estimate for this project was \$150,000.

Bidder	Bid Price
E2 Power Systems, Inc., Littleton, CO	\$ 78,175.00
General Electric Company, Loveland, CO	\$137,000.00

The bid from General Electric did not include sales tax. Otherwise, both bids were in compliance with the specifications.

The specifications required redundant generator controllers that would allow uninterrupted control on the unit in the event of the failure of a single controller. This configuration is similar to the replacement system recently installed on the base loaded generator at the Platte Generating Station. In addition to the specified controller configuration, E2 Power systems provided an alternate bid utilizing a single controller system, which is similar to the other gas turbines at Burdick Station. This option would include a spare, pre-programmed controller, ready to be interchanged with the installed controller, but the second unit would not be on line continuously, running in parallel. The utility engineering staff reviewed this alternative proposal in detail and finds the cost savings to be significant in relation to the failure rates of these types of units and the typical operating hours of this generator. Staff recommends accepting the alternate bid of \$57,850.

### **Alternatives**

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

1. Move to approve the award of the Replacement Gas Turbine Generator Voltage Control System for the Burdick Generating Station contract.
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 to E2 Power Systems, Inc., of Littleton, Colorado, as the low responsive bidder, at a price of \$57,850, for the alternate bid.

### **Sample Motion**

Motion to approve the alternate bid of \$57,850 from E2 Power Systems, Inc., for the Replacement Gas Turbine Generator voltage Control System for Burdick Generating Station contract.

*Purchasing Division of Legal Department*  
**INTEROFFICE MEMORANDUM**



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a  
Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** October 13, 2005 at 11:00 a.m.

**FOR:** Replacement Gas Turbine Generator Voltage Control System

**DEPARTMENT:** Utilities

**ESTIMATE:** \$150,000.00

**FUND/ACCOUNT:** 525

**PUBLICATION DATE:** September 18, 2005

**NO. POTENTIAL BIDDERS:** 3

**SUMMARY**

<b>Bidder:</b>	<b><u>General Electric Co.</u></b> Loveland, CO	<b><u>E2 Power Systems, Inc.</u></b> Littleton, CO
<b>Bid Security:</b>	<b>Safeco Insurance Co. of America</b>	<b>\$3,908.75</b>
<b>Exceptions:</b>	<b>None</b>	<b>None</b>
<b>Bid Price:</b>	<b>\$137,000.00</b>	<b>\$78,175.00</b>

cc: Gary Mader, Utilities Director  
Karen Nagel, Utilities Secretary  
Gary Greer, City Administrator  
Laura Berthelsen, Legal Assistant

Bob Smith, Assistant Utilities Director  
Pat Gericke, Admin. Utilities Sec.  
Dale Shotkoski, Purchasing Agent

**P1024**

RESOLUTION 2005-310

WHEREAS, the City of Grand Island invited sealed bids for Replacement Gas Turbine Generator Voltage Control System at the Burdick Generating Station, according to plans and specifications on file at the Platte Generating Station; and

WHEREAS, on October 13, 2005, bids were received, opened and reviewed; and

WHEREAS, E2 Power Systems, Inc. of Littleton, Colorado, submitted an alternate bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, such alternate bid being in the amount of \$57,850; and

WHEREAS, such bid is below the estimate for such project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the alternate bid of E2 Power Systems, Inc. of Littleton, Colorado, in the amount of \$57,850 for Replacement Gas Turbine Generator Voltage Control System at the Burdick Generating Station is hereby approved as the lowest responsible bid.

BE IT FURTHER RESOLVED, that a contract between the City and such contractor for such project be entered into, 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, October 25, 2005.

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RaNae Edwards, City Clerk

Approved as to Form	☐ _____
October 20, 2005	☐ City Attorney