



# City of Grand Island

Tuesday, March 27, 2007

Council Session

## Item G7

**#2007- 71- Approving Bid Award - Mercury Emissions  
Monitoring Equipment - Platte Generating Station**

Staff Contact: Gary R. Mader;DaleShotkoski

# **Council Agenda Memo**

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

**Meeting:** March 27, 2007

**Subject:** Approving Bid Award – Mercury Monitoring Equipment  
– Platte Generating Station

**Item #'s:** G-7

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

## **Background**

Power Plants across the country are required to monitor certain emissions resulting from the burning of fuels. Platte Generating Station (PGS) currently monitors, reports and controls sulfur and nitrogen oxide emissions and opacity in accordance with state and federal regulations.

Recent federal law expands monitoring requirements to include emissions of Mercury resulting from burning fossil fuel. The plant is mandated by the federal Clean Air Mercury Rule (CAMR) to have a mercury emissions monitor in service by January 1, 2009. Refinements of the monitor technology and the details of the final regulations are still being worked out, but approximately 2,200 sites will be required to have these monitors in place by 2009.

There are a very limited number of qualified suppliers; therefore, pricing and availability are very volatile. Because of this, the plant staff plans to have the monitor installed during the first quarter of 2008 in order to ensure delivery and reliable operation for the 2009 deadline. In September 2006, the engineering firm of Black & Veatch was awarded a contract for engineering services for the procurement and installation of the required mercury monitor equipment.

## **Discussion**

Black & Veatch developed the specifications for PGS Mercury Emissions Monitoring Equipment. The specifications were advertised and the bids publicly opened in accordance with the City Purchasing Code. Three bids were received, but two were

rejected as the bidders would not provide bid bonds as required by the Purchasing Code. The compliant bid is tabulated below.

<u>Bidder</u>	<u>Bid Price</u>
Sick Maihak, Bloomington, MN	\$149,900.00

The engineers estimate for this contract was \$450,000. The engineers developed this estimate from information provided by the two major domestic manufacturers of this developing technology equipment, Thermo Electron Corporation and Tekran Instruments Corporation.

The only bid received that was compliant with the City's bid requirements was from Sick Maihak, a European manufacturer with a smaller share of the American market. Black & Veatch and the Utility staff have researched the compliant bidder and found that the company is well established in Europe, providing a variety of emission monitoring devices, including Mercury monitors, and now has North American sales outlets and an engineering/services office in Houston, Texas.

### **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 the Council award the Contract for PGS Mercury Emissions Monitoring Equipment to Sick Maihak of Bloomington, MN as the low responsive bidder, at the bid price of \$149,900.00.

### **Sample Motion**

Make a motion to approve the award of the contract to Sick Maihak for PGS Mercury Emissions Monitoring Equipment as submitted.

*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:** March 13, 2007 at 11:00 a.m.

**FOR:** PGS Mercury Emissions Monitoring Equipment

**DEPARTMENT:** Utilities

**ENGINEER'S ESTIMATE:** \$450,000.00

**FUND/ACCOUNT:** 520

**PUBLICATION DATE:** February 9, 2007 & February 24, 2007

**NO. POTENTIAL BIDDERS:** 3

**SUMMARY**

<b>Bidder:</b>	<b><u>Sick Maihak</u></b> Bloomington, MN	<b><u>Altech</u></b> Geneva, IL	<b><u>ThermoFisher</u></b> Franklin, MA
<b>Bid Security:</b>	<b>\$7,500.00</b>	<b>No Bid Security</b>	<b>No Bid Security</b>
<b>Exceptions:</b>	<b>Noted</b>	<b>Submitted</b>	<b>Submitted</b>
<b>Bid Price:</b>	<b>\$149,900.00</b>	<b>Bid Rejected</b>	<b>Bid Rejected</b>

cc: Gary Mader, Utilities Director  
Pat Gericke, Utilities Admin. Assist.  
Sherry Peters, Legal Secretary

Bob Smith, Assist. Utilities Director  
Dale Shotkoski, Purchasing Agent

**P1148**

RESOLUTION 2007-71

WHEREAS, the City of Grand Island invited sealed bids for Mercury Emissions Monitoring Equipment, according to plans and specifications on file with the Utilities Department, Platte Generating Station; and

WHEREAS, on March 13, 2007, bids were received, opened and reviewed; and

WHEREAS, Sick Maihak of Bloomington, Minnesota, 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 \$149,900.00; and

WHEREAS, Sick Maihak's bid is less than the 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 Sick Maihak of Bloomington, Minnesota, in the amount of \$149,900.00 for Mercury Emissions Monitoring Equipment is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, March 27, 2007.

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Margaret Hornady, Mayor

Attest:

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RaNae Edwards, City Clerk

Approved as to Form	☐ _____
March 22, 2007	☐ City Attorney