



City of Grand Island

Tuesday, January 13, 2009

Council Session

Item G9

**#2009-3 - Approving Bid Award - Burdick Station Cooling Tower
Piping Modifications**

Staff Contact: Gary R. Mader; Wesley Nespor

Council Agenda Memo

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

Meeting: January 13, 2009

Subject: Burdick Cooling Tower Piping Modifications

Item #'s: G-9

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

Background

Unit 3 at the Burdick Station Power Plant utilizes a wooden structure cross flow cooling tower that was built in 1969. The existing cooling tower has lasted 38 years and was a survivor of the 1980 tornados, sustaining an indirect hit. The generating unit cooled by that tower was on-line at the time, and remained on-line for several days as power was slowly restored. The fan cylinder cones at the top of the tower were completely destroyed, and the tower structure received severe damage, including some damage that was not discovered until several months later. After tornado damage repair and nearly 40 years of weather exposure, the tower is no longer structurally sound. It is leaning to the south about five degrees from vertical and structural consultants advised that it was in danger of collapsing. Normal life expectancy for a wood cooling tower is 25-30 years. In order to maintain reliability of this generating unit, the cooling tower needs to be replaced. Bids for a replacement cooling tower were received in 2008 and the Council awarded the contract for the replacement tower on September 9, 2008 for \$1,015,050.

The replacement cooling tower is a counter flow design, which has a different inlet piping arrangement, requiring changes to existing piping. During the evaluation of the replacement cooling tower bids, utility engineering staff reviewed the cost of the piping modifications required to accommodate the use of the newer counter flow tower design verses the cross flow design. The cost total of the counter flow tower with associated piping changes is less than the \$1,500,000 cost to replace the existing tower with a cross flow structure design. Piping Modifications and Tower Construction are included in the Electric Department '08-'09 Budget.

Discussion

The specifications for the Burdick Cooling Tower Piping Modifications were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on December 30, 2008. Only one bid was received. The engineer's estimate for this project was \$260,000.00.

<u>Bidder</u>	<u>Bid Price</u>	<u>Sales Tax</u>	<u>Total Bid Price</u>
Judd Brothers Construction Co.	\$ 257,987.00	\$ 8,138.00	\$266,125.00

The bid was reviewed by utility engineering staff and is compliant with specifications and the base bid is 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 the Council award the Contract for Burdick Cooling Tower Piping Modifications to Judds Brothers Construction Co. of Lincoln, NE, as the low response bidder, for a contract price of \$266,125.00.

Sample Motion

Move to approve award of the bid of \$266,125.00 from Judds Brothers Construction Co. for the Burdick Cooling Tower Piping Modifications as submitted.



Wes Nespor, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: December 30, 2008 at 11:15 a.m.
FOR: Burdick Cooling Tower Piping Modifications
DEPARTMENT: Utilities
ESTIMATE: \$260,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: November 22, 2008
NO. POTENTIAL BIDDERS: 4

SUMMARY

Bidder:	<u>Judds Brothers Construction Co.</u> Lincoln, NE	<u>Core 10 Field Services</u> Springfield, MO
Bid Security:	Inland Insurance Company	
Exceptions:	None	
Bid Price:		
Material:	\$116,250.00	No Bid
Labor:	141,737.00	
Sales Tax:	<u>8,138.00</u>	
Total Bid:	\$266,125.00	

cc: Gary Mader, Utilities Director
Dale Shotkoski, City Attorney
Jeff Pederson, City Administrator
Lynn Mayhew, PGS

Bob Smith, Assist. Utilities Director
Wes Nespor, Purchasing Agent
Pat Gericke, Utilities Admin. Assist.
Karen Nagel, Utilities Secretary

RESOLUTION 2009-3

WHEREAS, the City Electric Department invited sealed bids for Burdick Cooling Tower Piping Modifications; and

WHEREAS, on December 30, 2008, bids were received, opened and reviewed; and

WHEREAS, Judds Brothers Construction Company of Lincoln, Nebraska 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 \$266,125; and

WHEREAS, the bid of Judds Brothers Construction Company of Lincoln, is less than the estimate for Cooling Tower Piping Modifications at Burdick Station.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Judds Brothers Construction Company of Lincoln, Nebraska, in the amount of \$266,125.00 for Cooling Piping Modifications at Burdick Station is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, January 13, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form ☐ _____
January 8, 2009 ☐ City Attorney