



City of Grand Island

Tuesday, April 28, 2009

Council Session

Item G6

#2009-97 - Approving Bid Award - Cooling Tower Rebuild - Fall of 2009 - Platte Generating Station

Staff Contact: Gary R. Mader; Wesley Nespor

Council Agenda Memo

From: Gary R. Mader, Utilities Director
Wesley Nespor, Asst. City Attorney/Purchasing

Meeting: April 28, 2009

Subject: Cooling Tower Rebuild Fall 2009

Item #'s: G-6

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

Background

The Platte Generating Station utilizes a cooling tower as part of the plant's cooling water system. The cooling tower is constructed of wood and fiberglass specially treated for constant exposure to water and the outdoor elements. It has been in nearly continuous service since 1982.

The tower is periodically inspected by third party consultants, who provide evaluation of structural condition and, if problems are found, make recommendations for corrective actions. Cooling tower repair is performed by contractors specializing in furnishing and installing cooling tower components. This project is the third and final phase of repairs as determined by the 2007 inspection. The work proposed for this year includes replacement of the tower internal structural components, fill, and drift eliminators. Previous phases have included replacement of the tower's decking, external structural components, and louvers. The plant engineering staff developed specifications for this third phase. The repair work is scheduled for the fall 2009 scheduled maintenance outage.

Discussion

The specifications for the Cooling Tower Rebuild Fall 2009 were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on April 14, 2009. Specifications were sent to five potential bidders and responses were received as listed below. The engineer's estimate for this project was \$1,400,000.00.

<u>Bidder</u>	<u>Bid Price</u>
International Cooling Tower, Inc.	\$1,140,000.00
EvapTech, Inc.	\$1,187,658.00
Midwest Towers, Inc.	\$1,175,066.00
SPX Cooling Technologies, Inc.	\$1,574,868.00

The bids were reviewed by plant engineering staff. International Cooling Tower, Inc., and EvapTech, Inc., have noted no exceptions. Midwest Towers, Inc. noted that it can not guarantee the thermal performance of the specified fill, and offered an alternative fill for a deduct cost of \$37,871. SPX Cooling Technologies, Inc. also took exception to the specified fill, and proposed an alternative. Neither of these exceptions are considered acceptable.

The bid from International Cooling Towers is compliant with specifications and 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 Cooling Tower Rebuild Fall 2009 to International Cooling Tower, Inc. of Edmonton, Canada, as the low responsive bidder, with the bid price of \$1,140,000.00.

Sample Motion

Move to approve award of the bid of \$1,140,000.00 from International Cooling Tower, Inc. for the Cooling Tower Rebuild Fall 2009 as submitted.



Wes Nespor, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: April 14, 2009 at 11:00 a.m.
FOR: Cooling Tower Rebuild Fall 2009
DEPARTMENT: Utilities
ESTIMATE: \$1,400,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: March 20, 2009
NO. POTENTIAL BIDDERS: 5

SUMMARY

Bidder:	<u>Evap Tech, Inc.</u> Lenexa, KS	<u>Midwest Towers, Inc.</u> blue Springs, MO
Bid Security:	Western Surety Company	Ullico Casualty Company
Exceptions:	None	Noted

Bid Price:		
Material:	\$454,675.00	\$481,946.00
Labor:	701,155.00	665,342.00
Sales Tax:	<u>31,828.00</u>	<u>27,778.00</u>
Total Bid:	\$1,187,658.00	\$1,175,066.00

Bidder:	<u>International Cooling Tower</u> Edmonton, Canada	<u>SPX Cooling Technologies, inc.</u> Overland Park, KS
Bid Security:	The Hartford Fire Insurance Co.	Liberty Mutual Ins. Co.
Exceptions:	None	Noted

Bid Price:		
Material:	\$540,000.00	\$ 445,554.00
Labor:	570,000.00	1,020,767.00
Sales Tax:	<u>30,000.00</u>	32,169.00
Total Bid:	\$1,140,000.00	14,000.00 Performance Bonds

62,378.00 Freight
\$1,574,868.00

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RESOLUTION 2009-97

WHEREAS, the City Electric Department invited sealed bids for Cooling Tower Rebuild for the fall of 2009 at Platte Generating Station; and

WHEREAS, on April 14, 2009, bids were received, opened and reviewed; and

WHEREAS, International Cooling Tower, Inc., of Edmonton, Canada, 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 \$1,140,000.00; and

WHEREAS, the bid of International Cooling Tower, Inc., of Edmonton, Canada is less than the estimate for Cooling Tower Rebuild at Platte Generating Station.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of International Cooling Tower, Inc., of Edmonton, Canada in the amount of \$1,140,000.00 for Cooling Tower Rebuild at Platte Generating 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, April 28, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form ☐ _____
April 23, 2009 ☐ City Attorney