



City of Grand Island

Tuesday, September 22, 2009

Council Session

Item G10

**#2009-235 - Approving Negotiated Bid Amount of Metso
Automation for the Burdick Controls Computer Upgrade - 2009**

Staff Contact: Gary R. Mader; Wesley Nespor

Council Agenda Memo

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

Meeting: September 22, 2009

Subject: Burdick Controls Computer Upgrade - 2009

Item #'s: G-10

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

Background

In 1997, the burner management controls for Burdick Units 1 and 2 and the plant controls for Unit 3 were replaced with a digital control system. This digital control system included personal computers as the operator interfaces. These personal computers utilize Windows 95 as their operating systems. Windows 95 is an obsolete operating system and replacement of a failed workstation is no longer supported. To allow further use of this system, the workstations must be upgraded to Windows XP operating systems and the computers, software and graphics that interface with the control system must be replaced. Specifications to provide the engineering, components, and field service personnel were drafted by plant engineering staff and issued for bid.

Discussion

The specifications for the Burdick Controls Computer Upgrade were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on August 25, 2009. The engineer's estimate for this project was \$200,500.00.

Bidder	Bid Price
Metso Automation	\$ 224,167.00

Since only one bid was received, Council approval was given at the September 8th, 2009 Council meeting to enter into negotiations with Metso to negotiate with the contractor for contract reductions. Negotiations resulted in revising two specific areas of the bid, replacement computer costs and contractor on-site service time. The contractor has agreed to allow the computers to be purchased directly from a third party supplier by the

City of Grand Island, and billing separately for actual service time expenses incurred by Metso during the installation of the system.

The revised contract price from Metso, excluding the computers and on-site service expenses is \$195,265. Department staff estimates that the direct computer purchase by the City will cost \$9,365, and that on-site service costs can be limited to \$4,080. Adding those costs to the revised contract price would bring the total project cost to \$208,710, a savings of \$15,457 over the original bid of \$224,167.

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 Controls Computer Upgrade to Metso Automation of Lansdale, Pennsylvania, as the sole source, at a revised contract price of \$195,265.00.

Sample Motion

Move to approve award of the contract in the amount of \$195,265.00 to Metso Automation for the Burdick Controls Computer Upgrade.



Wes Nespor, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: August 25, 2009 at 11:00 a.m.
FOR: Burdick Controls Computer Upgrade - 2009
DEPARTMENT: Utilities
ESTIMATE: \$200,500.00
FUND/ACCOUNT: 520
PUBLICATION DATE: July 31, 2009
NO. POTENTIAL BIDDERS: 1

SUMMARY

Bidder: Metso Automation, Power
Lansdale, PA
Bid Security: The Insurance Company of the State of Pennsylvania
Exceptions: None

Bid Price:
Material: \$40,038.00
Labor: 184,129.00
Sales Tax: None
Total Bid: \$224,167.00

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

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

RESOLUTION 2009-235

WHEREAS, the City Electric Department invited sealed bids for Burdick Controls Computer Upgrade; and

WHEREAS, on August 25, 2009, bids were received, opened and reviewed; and

WHEREAS, Metso Automation of Lansdale, Pennsylvania, submitted the only 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 \$224,167.00 and

WHEREAS, negotiations with Metso Automation resulted in revising two specific areas of the bid, replacement computer costs and contractor on-site service time; and

WHEREAS, the revised contract price from Metso Automation, excluding the computers and on-site service expenses is \$195,265; and

WHEREAS, Metso Automation is the original supplier of the control system, and the sole source for providing the control system upgrade, short of replacing the entire system.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the revised bid of Metso Automation of Lansdale, Pennsylvania, is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, September 22, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
September 17, 2009	☐ City Attorney