



# City of Grand Island

Tuesday, September 22, 2009

Council Session

## Item G7

**#2009-232 - Approving Bid Award for Bottom and Fly Ash  
Structures Painting - Platte Generating Station**

Staff Contact: Gary R. Mader

# Council Agenda Memo

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

**Meeting:** September 22, 2009

**Subject:** Bottom and Fly Ash Structures Painting

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

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

## Background

The Platte Generating Station utilizes specialized elevated tanks in its bottom and fly ash collection systems operation. The bottom and fly ash structures were built when the Platte Generating Station was originally constructed over 25 years ago. The tanks were coated with specialized painting systems to prevent corrosion of the shells and support structures. Inspections of the tanks indicate the chemical properties of the fly ash have caused the paint to peel and the base metal to rust. The exposed steel is in need of protection to extend the life of these structures. Plant staff developed specifications for repainting of the tanks.

## Discussion

The specifications for the Bottom and Fly Ash Structures Painting were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on September 1, 2009. Specifications were sent to 24 potential bidders and responses were received as listed below. The engineer's estimate for this project was \$260,000.00.

Bidder	Original Bid Price	Adjusted Bid Price
F & H Companies, Inc., Wichita, KS	\$ 115,395.00	\$117,446.00
W.S. Bunch Company, Omaha, NE	\$ 205,377.00	
Mongan Painting Co., Inc., Cherokee, IA	\$ 207,422.00	
Techno Coatings, Inc., Anaheim, CA	\$ 247,720.00	
TMI Coatings, St. Paul, MN	\$ 320,640.00	
Lindner Painting, Inc., Lincoln, NE	\$ 584,344.00	

The bids were reviewed by Utility Engineering staff. F & H Companies has proposed paint application with brushes and rollers rather than being sprayed. This exception has been evaluated, and is an acceptable substitution. F & H Companies did not show sales tax in their bid submission. Therefore, a 7.0% material tax figure was added to the bid price for evaluation purposes. Plant engineering staff checked three references of the low bidder. All were positive in their evaluation of the contractor's work. The low compliant bid is from F & H Companies and 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 Bottom and Fly Ash Structures Painting to F & H Companies of Wichita, KS, as the low responsive bidder, with a contract price of \$117,446.00.

### **Sample Motion**

Move to approve award of the contract for Bottom and Fly Ash Structures Painting in the amount of \$117,446.00 to F & H Companies.

Purchasing Division of Legal Department  
**INTEROFFICE MEMORANDUM**



Wes Nespor, Purchasing Agent

*Working Together for a  
Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** September 1, 2009 at 11:00 a.m.  
**FOR:** Bottom and Fly Ash Structures Painting  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$260,000.00  
**FUND/ACCOUNT:** 520  
**PUBLICATION DATE:** July 31, 2009  
**NO. POTENTIAL BIDDERS:** 24

**SUMMARY**

<b>Bidder:</b>	<u>Techno Coatings, Inc.</u> Anaheim, CA	<u>W.S. Bunch Company</u> Omaha, NE
<b>Bid Security:</b>	Fidelity & Deposit Co.	United Fire & Casualty Co.
<b>Exceptions:</b>	Noted	None

<b>Bid Price:</b>		
<b>Material:</b>	\$38,109.00	\$22,877.00
<b>Labor:</b>	207,690.00	180,773.00
<b>Sales Tax:</b>	<u>1,921.00</u>	<u>1,727.00</u>
<b>Total:</b>	\$247,720.00	\$205,377.00

<b>Bidder:</b>	<u>Mongan Painting Co., Inc.</u> Cherokee, IA	<u>F &amp; H Companies, Inc.</u> Wichita, KS
<b>Bid Security:</b>	Merchants Bonding Co.	\$6,000.00
<b>Exceptions:</b>	None	Noted

<b>Bid Price:</b>		
<b>Material:</b>	\$50,932.00	\$29,306.00
<b>Labor:</b>	152,925.00	86,089.00
<b>Sales Tax:</b>	<u>3,565.00</u>	<u>----.</u>
<b>Total:</b>	\$207,422.00	\$115,395.00

<b>Bidder:</b>	<u><b>TMI Coatings</b></u> St. Paul, MN	<u><b>Lindner Painting, Inc.</b></u> Lincoln, NE
<b>Bid Security:</b>	North American Specialty Ins. Co.	Merchants Bonding Co.
<b>Exceptions:</b>	None	None
<b>Bid Price:</b>		
<b>Material:</b>	\$32,000.00	\$79,200.00
<b>Labor:</b>	286,400.00	499,600.00
<b>Sales Tax:</b>	<u>2,240.00</u>	<u>5,544.00</u>
<b>Total:</b>	<b>\$320,640.00</b>	<b>\$584,344.00</b>

cc: Gary Mader, Utilities Director  
Dale Shotkoski, City Attorney  
Jeff Pederson, City Administrator  
Karen Nagel, Utilities Secretary

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

**P1358**

R E S O L U T I O N 2009-232

WHEREAS, the City Electric Department invited sealed bids for Bottom and Fly Ash Structures Painting at the Platte Generating Station; and

WHEREAS, on September 1, 2009, bids were received, opened and reviewed; and

WHEREAS, F & H Companies of Wichita, Kansas, 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 \$117,446.00; and

WHEREAS, the bid of F & H Companies of Wichita, Kansas is less than the estimate for Bottom and Fly Ash Structures Painting at the Platte Generating Station.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of F & H Companies of Wichita, Kansas, in the amount of \$117,446.00 for Bottom and Fly Ash Structures Painting 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, September 22, 2009.

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Margaret Hornady, Mayor

Attest:

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RaNae Edwards, City Clerk