



City of Grand Island

Tuesday, January 27, 2015

Council Session

Item G-4

**#2015-17 - Approving Bid Award for 2015 Turbine Valve
Overhaul at Platte Generating Station**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Timothy G. Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting Date: January 27, 2015

Subject: 2015 Turbine Valve Overhaul

Item #'s: G-4

Presenter(s): Timothy G. Luchsinger, Utilities Director

Background

An inspection and overhaul of the turbine valves at the Platte Generating Station is performed every 2.5 years. The next overhaul is scheduled for the April of this year. During this inspection, the turbine valves are completely disassembled and all components are cleaned, inspected, repaired or replaced as necessary.

Specifications were developed by the plant maintenance staff to include all labor to open, inspect, clean, and close the turbine valves, with the Department to supply all required parts and materials. The specifications include time and material rates for additions or reductions in the repair labor amount as the amount of actual work is not known until the valves are disassembled and inspected.

Discussion

The specifications for the 2015 Turbine Valve Overhaul were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on January 13, 2015. The engineer's estimate for this project was \$350,000.00.

Bidder	Bid Price
HPI Houston, Texas	\$ 144,997.02
S.T. Cotter Turbine Services, Inc. Clearwater, Minnesota	\$ 185,351.15

Plant staff reviewed the bids for compliance with the City's detailed specifications, with both bids found to be acceptable and meeting the specification requirements. The low bid

from HPI was found compliant with the specifications 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 Council award the contract for the 2015 Turbine Valve Overhaul, to HPI of Houston, Texas, as the low responsive bidder, with the bid in the amount of \$144,997.02.

Sample Motion

Move to approve the bid in the amount of \$144,997.02, from HPI for the 2015 Turbine Valve Overhaul at Platte Generating Station.



Stacy Nonhof, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: January 13, 2015 at 2:00 p.m.
FOR: 2015 Turbine Valve Overhaul
DEPARTMENT: Utilities
ESTIMATE: \$350,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: December 31, 2014
NO. POTENTIAL BIDDERS: 8

SUMMARY

Bidder:	<u>S.T. Cotter Turbine Services, Inc.</u> Clearwater, MN	<u>HPI</u> Houston, TX
Bid Security:	The Guarantee Co.	SureTec Ins. Co.
Exceptions:	Noted	Noted
Bid Price:		
Material:	----	\$ 1,595.65
Labor:	\$185,351.15	\$143,289.67
Sales Tax:	<u>TBD</u>	<u>\$ 111.70</u>
Total Bid:	\$185,351.15	\$144,997.02

cc: Tim Luchsinger, Utilities Director
Marlan Ferguson, City Administrator
Pat Gericke, Utilities Admin. Assist.
Darrell Dorsey, PGS Plant Supt.

Bob Smith, Assist. Utilities Director
William Clingman, Interim Finance Director
Karen Nagel, Utilities Secretary

P1785

RESOLUTION 2015-17

WHEREAS, the City of Grand Island invited sealed bids for 2015 Turbine Valve Overhaul at Platte Generating Station, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on January 13, 2015, bids were received, opened and reviewed; and

WHEREAS, HPI of Houston, Texas, 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 \$144,997.02; and

WHEREAS, the bid of HPI is less than the estimate for 2015 Turbine Valve Overhaul 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 HPI of Houston, Texas, in the amount of \$144,997.02, for 2015 Turbine Valve Overhaul, is hereby approved as the lowest responsible bid.

Adopted by the City Council of the City of Grand Island, Nebraska, January 27, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
January 23, 2015	☐ City Attorney