



City of Grand Island

Tuesday, February 10, 2015

Council Session

Item G-4

#2015-31 - Approving Bid Award - Precipitator, Bottom Ash and Boiler Industrial Cleaning - Spring 2015 Outage at Platte Generating Station

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting: February 10, 2015

Subject: Precipitator, Bottom Ash and Boiler Industrial Cleaning
– Spring 2015

Item #'s: G-4

Presenter(s): Timothy Luchsinger, Utilities Director

Background

The electrostatic precipitator at the Platte Generating Station is the air quality control equipment used to remove coal ash particulates from the plant's boiler flue gas stream. Proper performance of this equipment is required as part of the plant's operating permit. Due to volume and characteristics of the coal ash, the precipitator must be grit blasted twice a year to remove ash build-up to allow the plant to remain below permitted emission levels. In addition to maintaining performance, removal of the ash deposits also allows an inspection of the precipitator internal surfaces and components.

The next outage is scheduled for April of this year. Specifications were developed by the plant maintenance staff for the removal of ash deposits throughout the precipitator and boiler including grit blasting of the electrostatic precipitator, bulk vacuuming of the associated ductwork and hoppers, blasting deposits from boiler tubing and high pressure water wash of the bottom ash system and air heater.

Discussion

The specifications for the Precipitator, Bottom Ash and Boiler Industrial Cleaning-Spring 2015 Outage were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on January 22, 2015. Specifications were sent to eight potential bidders and three responses were received as listed below. The engineer's estimate for this project was \$250,000.

Bidder	Bid Amount	Tax Adjustment	Adjusted Bid
W-S Industrial Services Council Bluffs, IA	\$222,791.41	(\$ 450.00)	\$222,341.41
Meylan Enterprises Omaha, NE	\$205,215.00	\$ 6,804.70	\$212,019.70
Veolia North America Liberty, MO	\$200,342.96	\$ 6,797.14	\$207,140.10

The bids were reviewed by plant engineering staff. All bids were in compliance with the specifications and had no exceptions. The bid from Veolia North America Industrial Services 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 Council award the contract for the Precipitator, Bottom Ash and Boiler Industrial Cleaning – Spring 2015, to Veolia North America Industrial Services, of Liberty, Missouri, as the low responsive bidder, with a bid in the amount of \$207,140.10.

Sample Motion

Move to approve the bid of \$207,140.10 from Veolia North America Industrial Services for the Precipitator, Bottom Ash and Boiler Industrial Cleaning – Spring 2015 Outage at Platte Generating Station.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: January 22, 2015 at 2:00 p.m.
FOR: Precipitator, Bottom Ash and Boiler Industrial Cleaning –
Spring 2015 Outage
DEPARTMENT: Utilities
ESTIMATE: \$250,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: January 7, 2015
NO. POTENTIAL BIDDERS: 7

SUMMARY

Bidder: W-S Industrial Services, Inc.
Council Bluffs, IA
Bid Security: Merchants Bonding Co.
Exceptions: None

Bid Price:	Precipitator Abrasive Cleaning	Explosive Deslagging	Air Heater Clean/Wash	Vacuum Service	HP Wash/Water Blasting
Material:	\$34,673.00	\$10,423.00	\$28,186.20	\$35,678.40	\$19,820.00
Labor:	\$20,640.00	\$27,416.20	\$ 4,650.00	\$23,200.00	\$ 8,640.00
Sales Tax:	<u>\$ 2,427.11</u>	<u>\$ 729.61</u>	<u>\$ 1,973.03</u>	<u>\$ 2,497.46</u>	<u>\$ 1,387.40</u>
Total Bid:	\$222,791.21				

Bidder: Veolia North America
Liberty, MO
Bid Security: Evergreen National Indemnity Co.
Exceptions: Noted

Bid Price:	Precipitator Abrasive Cleaning	Explosive Deslagging	Air Heater Clean/Wash	Vacuum Service	HP Wash/Water Blasting
Material:	\$17,798.00	\$11,312.00	\$21,707.50	\$30,702.00	\$15,582.40
Labor:	\$28,464.26	\$35,200.80	\$ 3,344.00	\$26,772.00	\$ 9,460.00
Sales Tax:	---	---	---	---	---
Total Bid:	\$200,342.96				

Bidder: Meylan Enterprises, Inc.
Omaha, NE
Bid Security: Universal Surety Co.
Exceptions: None

Bid Price:	Precipitator Abrasive Cleaning	Explosive Deslagging	Air Heater Clean/Wash	Vacuum Service	HP Wash/Water Blasting
Material:	\$12,935.00	\$25,900.00	\$13,875.00	\$27,000.00	\$17,500.00
Labor:	\$35,985.00	\$13,900.00	\$ 7,910.00	\$36,400.00	\$13,950.00
Sales Tax:	\$ 3,924.40	\$ 2,926.00	\$ 1,524.95	\$ 4,438.00	\$ 2,201.50
Total Bid:	\$205,215.00				

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

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

P1787

RESOLUTION 2015-31

WHEREAS, the City of Grand Island invited sealed bids for Precipitator, Bottom Ash and Boiler Industrial Cleaning, Spring – 2015, at Platte Generating Station, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on January 22, 2015, bids were received, opened and reviewed; and

WHEREAS Veolia North America of Liberty, Missouri, 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 \$ 207,140.10; and

WHEREAS, the bid of Veolia North America is less than the estimate for Precipitator, Bottom Ash and Boiler Industrial Cleaning.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Veolia North America, in the amount of \$207,140.10, for Precipitator, Bottom Ash and Boiler Industrial Cleaning - Spring 2015, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, February 10, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
February 6, 2015	☐ City Attorney