



City of Grand Island

Tuesday, October 27, 2015

Council Session

Item G-9

**#2015-289 - Approving Bid Award for Burdick Station Unit #3
Distributed Control System**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting Date: October 27, 2015

Subject: Burdick Station Unit #3 Distributed Control System

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

Background

Steam Unit #3 at C.W. Burdick Generating Station is a 54 MW General Electric Steam Turbine with a Combustion Engineering Boiler built in 1971. This unit has a Distributive Control System (DCS) that has an operating system that is no longer supported by the manufacturer. The DCS is used to operate and control the boiler and turbine. To maintain the reliability of the unit, it has become necessary to replace the existing control system with a modern system.

Discussion

Specifications for the Burdick Station Unit #3 Distributed Control System were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on October 13, 2015. The engineer's estimate for this project was \$600,000.00.

Bidder	Bid Price	Adjusted Sales Tax	Satellite Clock	Total Bid Price
ABB, Inc. Wickliffe, OH	\$580,760.00*	\$11,137.00**	\$5,100	\$596,997.00
HPI Houston, TX	\$822,463.40	\$26,748.00**	\$0	\$822,463.40

*The Bid Price for ABB was adjusted to account for items listed as options that should have been included in the base Bid Price.

**Sales Tax was adjusted for comparison purposes to reflect sales tax on materials only.

Bids were reviewed by plant engineering staff and the following changes are noted: items required by the specification, but listed as separate options by ABB, were included in the base bid for comparison purposes. The sales tax was adjusted to include materials only for both bidders. Based on the discussion and adjusted bid price, the bid from ABB 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 Burdick Station Unit #3 Distributed Control System to ABB, Inc., of Wickliffe, Ohio, as the low responsive bidder, with the bid in the amount of \$596,997.00.

Sample Motion

Move to approve the bid in the amount of \$596,977.00 from ABB, Inc., for the Burdick Station Unit #3 Distributed Control System.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: October 13, 2015 at 2:00 p.m.
FOR: Burdick Station Unit #3 Distributed Control System
DEPARTMENT: Utilities
ESTIMATE: \$600,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: September 23, 2015
NO. POTENTIAL BIDDERS: 2

SUMMARY

Bidder:	<u>ABB</u> Wickliffe, OH	<u>HPI, LLC</u> Houston, TX
Bid Security:	Fidelity & Deposit Co.	SureTec Insurance Co.
Exceptions:	Noted	None
Bid Price:		
Material:	\$154,000.00	\$382,120.00
Labor:	\$286,000.00	\$413,595.00
Sales Tax:	<u>\$ 30,800.00</u>	<u>\$ 55,700.00</u>
Total Bid:	\$470,800.00	\$851,415.00

cc: Tim Luchsinger, Utilities Director	Pat Gericke, Utilities Admin. Assist.
Marlan Ferguson, City Administrator	William Clingman, Interim Finance Director
Stacy Nonhof, Purchasing Agent	Ryan Schmitz, Production Engineer

P1844

RESOLUTION 2015-289

WHEREAS, the City of Grand Island invited sealed bids for Burdick Station Unit #3 Distributed Control System according to plans and specifications on file with the Utilities Department; and

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

WHEREAS, ABB Inc., of Wickliffe, Ohio, 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 \$ 596,977.00; and

WHEREAS, the bid of ABB Inc., is less than the estimate for Burdick Station Unit #3 Distributed Control System.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of ABB Inc., in the amount of \$596,977.00, for the Burdick Station Unit #3 Distributed Control System, is hereby approved as the lowest responsible bid.

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

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

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