



City of Grand Island

Tuesday, December 8, 2015

Council Session

Item G-4

**#2015-330 - Approving Purchase of Cooling Tower Chemicals for
Platte Generation Station**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting Date: December 8, 2015

Subject: Purchase of Cooling Tower Chemicals

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

Background

The Platte Generating Station utilizes a cooling tower, condenser and circulating piping as part of the plant's cooling water system. The system cooling water impurities are concentrated through an evaporative cooling process. The plant has routinely treated the water to prevent scaling, corrosion, fouling, and microbiological contamination. The annual cost of these chemicals has increased above the City Purchasing Code requirements. The plant environmental staff developed specifications for the purchase of the chemicals used for treatment of the water.

Discussion

The specification for the Purchase of Cooling Tower Chemicals was advertised and issued for bid in accordance with the City Purchasing Code. The specifications require a firm price for the product to maintain the guaranteed dose rate. Bids were publicly opened on November 17, 2015. Specifications were sent to ten potential bidders and responses were received as listed below. The engineer's estimate for this project was \$120,000.00.

Bidder	Unit Price	Est. Annual Price
Veolia Water Technologies, Papillion, NE	\$ 0.90	*\$ 111,016.80
Water Engineering, Mead, NE	\$ 0.86	*\$ 107,369.28
WaterLink, Inc., Omaha, NE	\$ 1.47	*\$ 185,125.92

Department Staff has reviewed the bids for compliance with the City's detailed specification. The bids were evaluated based upon the total cooling inhibitor cost per unit price. * Estimated Annual Prices were adjusted based on equivalent treated water for the year. Water Engineering 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 the purchase of cooling tower chemicals be awarded to Water Engineering of Mead, Nebraska, as the low responsive bidder, for a not-to-exceed price of \$.86 per pounds of solution; an annual amount estimated at \$107,369.28. The actual annual amount will depend on City water usage.

Sample Motion

Move to approve the purchase of cooling tower chemicals in the amount of \$.86 per pounds of solution to Water Engineering from Mead, Nebraska.



Stacy Nonhof, Purchasing Agent

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BID OPENING

BID OPENING DATE: November 17, 2015 at 2:00 p.m.
FOR: Cooling Tower Chemicals
DEPARTMENT: Utilities
ESTIMATE: \$120,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: October 23, 2015
NO. POTENTIAL BIDDERS: 10

SUMMARY

Bidder:	<u>Veolia</u> Papillion, NE	<u>Water Engineering</u> Mead, NE
Bid Security:	American Home Assurance Co.	Cashier's Check
Exceptions:	None	None
Unit Bid Price:	\$0.90	\$0.86
Est. Cost:	\$92,143.00	\$102,381.42

Bidder:	<u>WaterLink, Inc.</u> Omaha, NE
Bid Security:	Cashier's Check
Exceptions:	None
Unit Bid Price:	\$1.47
Est. Cost:	\$93,690.32

cc: Tim Luchsinger, Utilities Director
Marlan Ferguson, City Administrator
Stacy Nonhof, Purchasing Agent
Karen Nagel, Utilities Secretary

Pat Gericke, Utilities Admin. Assist.
William Clingman, Interim Finance Director
Scott Sekutera, Platte Generating Station

P1851

RESOLUTION 2015-330

WHEREAS, the City of Grand Island invited sealed bids for Cooling Tower Chemicals for the Platte Generating Station, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on November 17, 2015, bids were received, opened and reviewed; and

WHEREAS, Water Engineering, of Mead, Nebraska, 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 \$0.86 per pound of solution for an evaluated annual cost of \$102,381.42; and

WHEREAS, the bid of is less than the estimate for Cooling Tower Chemicals.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Water Engineering of Mead, Nebraska, in the amount of \$0.86 per pound of solution, for Cooling Tower Chemicals for 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, December 8, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
December 4, 2015	☐ City Attorney