



City of Grand Island

Tuesday, November 10, 2009

Council Session

Item G8

**#2009-290 - Approving Bid Award - Locomotive Repair - Platte
Generating Station**

Staff Contact: Gary R. Mader; Wesley Nespor

Council Agenda Memo

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

Meeting: November 10, 2009

Subject: Locomotive Repair – Platte Generating Station

Item #'s: G-8

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

Background

The Platte Generating Station utilizes a locomotive to move the coal cars onsite during the coal unloading process. The locomotive is an EMD SW1200 built in 1959 and purchased by the City in 1982. It is periodically inspected by contractors specializing in locomotive maintenance. A recent inspection indicated that an overhaul of some of the major components is required. These include rebuilding the main generator, auxiliary generator drives, engine blowers and drive gears, and replacing the main crankshaft and traction motor blower bearings. Plant staff developed specifications for these repairs.

Discussion

The specifications for the Locomotive Repair were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on October 13, 2009. Specifications were sent to four potential bidders and responses were received as listed below. The engineer's estimate for this project was \$130,000.00.

<u>Bidder</u>	<u>Bid Price</u>
National Railway Equipment Mt. Vernon, Illinois	\$ 87,424.65

The bid was reviewed by plant staff. It is compliant with specifications and less than the engineer's estimate. Informal price estimates to replace the locomotive with a similar used locomotive in good condition were \$550,000 to \$675,000.

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 Locomotive Repair to National Railway Equipment of Mt. Vernon, Illinois, as the low responsive bidder, with the bid price of \$87,424.65.

Sample Motion

Move to approve award of the bid of \$87,424.65 from National Railway Equipment for the Locomotive Repair as submitted.



Wes Nespor, Purchasing Agent

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BID OPENING

BID OPENING DATE: October 13, 2009 at 11:00 a.m.
FOR: Locomotive Repair 2009
DEPARTMENT: Utilities
ESTIMATE: \$130,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: September 22, 2009
NO. POTENTIAL BIDDERS: 4

SUMMARY

Bidder: National Railway Equipment
Mt. Vernon, IL
Bid Security: Washington International Inc. Co.
Exceptions: Noted

Bid Price:
Material: \$49,917.42
Labor: 33,750.00
Sales Tax: 3,757.23
Total: \$87,424.65

cc: Gary Mader, Utilities Director
Dale Shotkoski, City Attorney
Jeff Pederson, City Administrator
Pat Gericke, Utilities Admin. Assist.

Bob Smith, Assist. Utilities Director
Wes Nespor, Purchasing Agent
Rodger Zawodniak, Utilities Dept.
Karen Nagel, Utilities Secretary

RESOLUTION 2009-290

WHEREAS, the City Electric Department invited sealed bids for Locomotive Repair at Platte Generating Station; and

WHEREAS, on October 13, 2009, bids were received, opened and reviewed; and

WHEREAS, National Railway Equipment of Mt. Vernon, Illinois, submitted the only 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 \$87,424.65; and

WHEREAS, the bid of National Railway Equipment, is less than the estimate for Locomotive Repair.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of National Equipment, of Mt. Vernon, Illinois, in the amount of \$87,424.65, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, November 10, 2009.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
November 5, 2009	☐ City Attorney