



City of Grand Island

Tuesday, March 22, 2011

Council Session

Item G7

**#2011-69 - Approving Bid Award - Boiler Fan Motor
Refurbishment at Platte Generating Station**

Staff Contact: Gary R. Mader

Council Agenda Memo

From: Gary R. Mader, Utilities Director
Jason Eley, Interim City Attorney

Meeting: March 22, 2011

Subject: Boiler Fan Motor Refurbishment

Item #'s: G-7

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

Background

The two original motors for the Boiler Draft Fans at Platte Generating Station are over 30 years old and were replaced in October, 2010, with new motors at a cost of \$350,000. These fan motors are critical to unit operation. Should either of the motors fail, the power plant would not operate. Delivery times for new motors are several months. Therefore, the original motors are planned to be retained as spares. They were sent to a repair center for inspection, where the repairs required to refurbish the motors to “as-new” specifications were determined. Based on the inspection results, specifications were developed by plant staff for motor refurbishment and issued in accordance with City purchasing procedures.

Discussion

The specifications for the Boiler Fan Motor Refurbishment were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on March 8, 2011. Specifications were sent to seven potential bidders. Responses were received as listed below. The engineer’s estimate for this project was \$120,000.00.

Bidder	Bid Price
Siemens Industry	\$ 34,113.74
Illinois Electric Works	\$ 92,125.00

The bids were reviewed by plant engineering staff. The bid from Siemens did not include the specified rewinding of the induced draft fan motor and was therefore deemed noncompliant with the specifications. The bid from Illinois Electric Works 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 Council award the Contract for Boiler Fan Motor Refurbishment to Illinois Electric Works of Granite City, Illinois, as the low responsive bidder, with the bid price of \$92,125.00.

Sample Motion

Move to approve the bid of \$92,125.00 from Illinois Electric Works for the Boiler Fan Motor Refurbishment as submitted.



Jason Eley, Purchasing Agent

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BID OPENING

BID OPENING DATE: March 8, 2011 at 2:00 p.m.
FOR: Boiler Fan Motor Refurbishment 2011
DEPARTMENT: Utilities
ESTIMATE: \$120,000
FUND/ACCOUNT: 520
PUBLICATION DATE: February 17, 2011
NO. POTENTIAL BIDDERS: 7

SUMMARY

Bidder:	<u>Illinois Electric Works</u> Granite City, IL	<u>Siemens</u> Kansas City, MO
Bid Security:	\$4,606.25	Federal Insurance Company
Exceptions:	Noted	Noted
Bid Price:		
Material:	\$37,500.00	\$ Included
Labor:	\$52,000.00	\$31,882.00
Sales Tax:	<u>\$ 2,625.00</u>	<u>\$ 2,231.74</u>
Total Bid:	\$92,125.00	\$34,113.74

cc: Gary Mader, Utilities Director
Jason Eley, Purchasing Agent
Mary Lou Brown, Interim City Administrator

Bob Smith, Assist. Utilities Director
Pat Gericke, Utilities Admin. Assist.
Tim Luchsinger, Assist. Utilities Director

RESOLUTION 2011-69

WHEREAS, the City of Grand Island invited sealed bids for Boiler Fan Motor Refurbishment at Platte Generating Station, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on March 8, 2011, bids were received, opened and reviewed; and

WHEREAS, Illinois Electric Works of Granite City, Illinois, 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 \$92,125.00; and

WHEREAS, the bid of Illinois Electric Works is less than the estimate for the Boiler Fan Motor Refurbishment.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Illinois Electric Works of Granite City, Illinois, in the amount of \$92,125.00 for Boiler Fan Refurbishment is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, March 22, 2011.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk