



City of Grand Island

Tuesday, August 09, 2011

Council Session

Item G12

**#2011-196 - Approving Bid Award for Purchase of Fly Ash from
Platte Generating Station**

Staff Contact: Tim Luchsinger

Council Agenda Memo

From: Timothy Luchsinger, Utilities Director
Jason Eley, Asst. City Attorney/Purchasing

Meeting: August 9, 2011

Subject: Platte Generating Station Fly Ash Purchase

Item #'s: G-12

Presenter(s): Timothy Luchsinger, Utilities Director

Background

As part of the combustion process of the coal in the boiler at the Platte Generating Station, ash is entrained in the exhaust gas. This ash, referred to as fly ash, is then removed by pollution control equipment and is conveyed from the equipment to a storage silo. The ash must then be disposed in on-site landfill areas or used for off-site applications such as an additive for concrete or asphalt, or soil stabilization. The Department has traditionally contracted this disposal to companies who specialize in the handling and marketing of fly ash. The contractor is responsible for removal of the ash to ensure that the operation of the plant is not impacted, and typically either uses this ash in their products, or sells it to other such companies.

Discussion

The specifications for the Platte Generating Station Fly Ash Purchase were prepared and issued for bid in accordance with City purchasing procedures. This five year contract is based on a "take all" basis during each calendar year with a price per ton paid to the City. Responses were received from the following bidders.

Bidder	Bid Price
Ash Grove Resources, LLC, Topeka, KS	\$ 8.00 per ton
Flatwater Materials, Inc., Grand Island, NE	\$ 0.96 per ton

Both bids were evaluated to be compliant and the Utilities Department recommends that the bid for Fly Ash Purchase be awarded to Ash Grove Resources, LLC, of Topeka ,KS.

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 Bid to Ash Grove Resources, LLC, of Topeka, Kansas, as the high responsive bidder, with the bid purchase price of \$8.00 per ton.

Sample Motion

Move to approve the bid of \$8.00 per ton from Ash Grove Resources, LLC, for the Platte Generating Station Fly Ash Purchase as submitted.



Jason Eley, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: July 27, 2011 at 2:00 p.m.
FOR: Fly Ash Purchase for Platte Generating Station
DEPARTMENT: Utilities
FUND/ACCOUNT: 520
PUBLICATION DATE: July 6, 2011
NO. POTENTIAL BIDDERS: 4

SUMMARY

Bidder:	<u>Flat Water Materials, Inc.</u> Grand Island, NE	<u>Ash Grove Resources, LLC</u> Topeka, KS
Exceptions:	None	None
Bid Price:	\$0.96 per dry ton	\$8.00 per dry ton

cc: Tim Luchsinger, Utilities Director
Jason Eley, Purchasing Agent
Mary Lou Brown, City Administrator

Bob Smith, Assist. Utilities Director
Pat Gericke, Utilities Admin. Assist.
Lynn Mayhew, Supt. - PGS

P1487

RESOLUTION 2011-196

WHEREAS, the City of Grand Island invited sealed bids for Platte Generating Station Fly Ash Purchase from the Utilities Department, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on July 27, 2011, bids were received, opened and reviewed; and

WHEREAS, Ash Grove Resources, LLC, of Topeka, Kansas, 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 \$8.00 per equivalent dry ton.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Ash Grove Resources, LLC, of Topeka, Kansas, in the amount of \$8.00 per equivalent dry ton to purchase fly ash from Platte Generating Station is hereby approved as the highest responsive bid submitted.

BE IT FURTHER RESOLVED, that a contract for such project be entered into between the City and such contractor; and that the Mayor is hereby authorized and directed to execute such contract on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, August 9, 2011.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form ☐ _____
August 4, 2011 ☐ City Attorney