



City of Grand Island

Tuesday, June 12, 2012

Council Session

Item G7

**#2012-141 - Approving Bid Award - Turbine Generator Parts -
Platte Generating Station**

Staff Contact: Tim Luchsinger, Jason Eley

Council Agenda Memo

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

Meeting: June 12, 2012

Subject: Turbine Generator Parts

Item #'s: G-7

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

Background

A major inspection and overhaul of the turbine generator at the Platte Generating Station is performed every five years. The next overhaul is scheduled for the fall of this year. During this inspection, the turbine generator is completely disassembled and all components are cleaned, inspected, repaired or replaced as necessary. During the 2007 inspection it was recommended that the Stage 10 turbine blades and the slip ring assembly be replaced.

Specifications were developed by the plant staff for the replacement parts. These parts are to be installed by the turbine overhaul contractor

Discussion

The specifications for the Turbine Generator Parts were issued for bid to three potential bidders and only one response was received. The engineer's estimate for these parts is \$242,000.00.

| <u>Bidder</u> | <u>Bid Price</u> |
|-----------------------------|------------------|
| Argo Turboserve Corporation | \$224,171.00 |

Engineering Staff reviewed the bid for compliance with the City's detailed specifications. The bid from Argo Turboserve Corporation is compliant with the specifications and has no exceptions. Argo Turboserve Corporation is the original equipment manufacturer for General Electric.

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 Turbine Generator Parts bid to Argo Turboserve Corporation of Lyndhurst, New Jersey, as the low responsive bidder, with the bid in the amount of \$224,171.00.

Sample Motion

Move to approve the bid from Argo Turboserve Corporation in the amount of \$224,171.00 for Turbine Generator Parts for the Platte Generation Station.



Jason Eley, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: May 29, 2012 at 2:00 p.m.
FOR: Turbine Generator Parts
DEPARTMENT: Utilities
ESTIMATE: \$242,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: May 9, 2012
NO. POTENTIAL BIDDERS: 3

SUMMARY

Bidder: Argo Turboserve Corp.
Lyndhurst, NJ
Bid Security: \$11,200
Exceptions: None

Bid Price:
Material: \$209,508
Labor: \$
Sales Tax: \$14,863
Total Bid: \$224,171

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, PGS Utilities Director

P1556

RESOLUTION 2012-141

WHEREAS, the City of Grand Island invited sealed bids for Turbine Generator Parts according to plans and specifications on file with the Utilities Department; and

WHEREAS, on May 29, 2012, bids were received, opened and reviewed; and

WHEREAS, Argo Tubroserve Corporation of Lyndhurst, New Jersey, 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 \$224,171.00; and

WHEREAS, the bid of Argo Turboserve Corporation's bid is less than the estimate for the Turbine Generator Parts.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Argo Turboserve Corporation in the amount of \$224,171.00, for Turbine Generator Parts, is hereby approved as the lowest responsible bid.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 12, 2012.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

| | |
|---------------------|-----------------|
| Approved as to Form | ☒ _____ |
| June 8, 2012 | ☒ City Attorney |