



City of Grand Island

Tuesday, June 26, 2012

Council Session

Item G5

**#2012-158 - Approving Bid Award - Steam Generator Boiler
Repair at Platte Generating Station**

Staff Contact: Tim Luchsinger, Jason Eley

Council Agenda Memo

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

Meeting: June 26, 2012

Subject: Boiler Repair – Platte Generating Station

Item #'s: G-5

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

Background

Every spring and fall, planned outages are conducted to perform inspections and maintenance on the boiler. The Utilities Department plans major overhauls at the Platte Generating Station every five years to allow repairs of the turbine-generator, boiler, and other major power plant systems that were noted from previous outage inspections. The next major outage is scheduled for the fall of 2012.

Inspection of the boiler includes inspection, testing and repair of the internal boiler parts such as: wall thickness testing of boiler tubes and pressure parts, non-destructive examination of ductwork and gas path components for cracking and fatigue failure, and alignment of sootblowers and fuel burner components. Plant engineering staff developed specifications to repair the noted deficiencies for the next scheduled outage.

Discussion

Specifications for Boiler Repair were issued for bid to nine potential bidders. Bids were publicly opened on June 5, 2012 at 2:00 p.m. Five bids were received. The engineer's estimate for this service is \$600,000.00.

Bidders	Bid Price
Hayes Mechanical	\$145,600.00
Plibrico Company, LLC	\$152,400.00
8760 Energy Services	\$225,609.92
TEI Construction Services, Inc.	\$315,130.00
APCOM Power, Inc.	\$324,583.00

Engineering staff reviewed the bids for compliance with the City's detailed specifications. The bid from Hayes Mechanical has noted exceptions clarifying man-hours bid for each repair, number of tube thickness readings, and seals to be replaced on the air heater. The exceptions are acceptable and the bid is compliant with the 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 presented in this motion

Recommendation

City Administration recommends that the Council award the bid to Hayes Mechanical of Omaha, Nebraska, in the amount of \$145,600.00.

Sample Motion

Move to approve the bid of \$145,600.00, from Hayes Mechanical for Boiler Repairs at Platte Generating Station.



Jason Eley, Purchasing Agent

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: June 5, 2012 at 2:00 p.m.
FOR: Steam Generator Boiler Repair
DEPARTMENT: Utilities
ESTIMATE: \$600,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: May 26, 2012
NO. POTENTIAL BIDDERS: 9

SUMMARY

Bidder:	<u>APCOM POWER, Inc.</u> Lenexa, KS	<u>TEI Construction Services, Inc.</u> Magnolia, TX
Bid Security:	Westchester Fire Ins. Co.	Westchester Fire Ins. Co.
Exceptions:	Noted	None

Bid Price:		
Material:	\$ 5,932.00	\$ 3,100.00
Labor:	\$307,563.00	\$31,813.00
Sales Tax:	<u>\$ 11,089.00</u>	<u>\$ 217.00</u>
Total Bid:	\$324,583.00	\$315,130.00

Bidder:	<u>Plibrico Company, LLC</u> Omaha, NE	<u>8760 Energy Services</u> Sedalia, MO
Bid Security:	Berkley Regional Ins. Co.	Cashier's Check
Exceptions:	Noted	Noted

Bid Price:		
Material:	\$ 2,977.00	\$ 8,500.00
Labor:	\$149,423.00	\$109,276.80
Sales Tax:	<u>\$ ---</u>	<u>\$ 1,664.25</u>
Total Bid:	\$152,400.00	\$225,609.92

Bidder: **Hayes Mechanical**

Bid Security: Omaha, NE
Exceptions: Great American Insurance Co.
Noted

Bid Price:
Material: \$ 8,500.00
Labor: \$136,505.00
Sales Tax: \$ 595.00
Total Bid: \$145,600.00

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

Bob Smith, Assist. Utilities Director
Pat Gericke, Utilities Admin. Assist.
Lynn Mayhew, Assist. Utility Director

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RESOLUTION 2012-158

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

WHEREAS, on June 5, 2012, bids were received, opened and reviewed; and

WHEREAS, Hayes Mechanical of Omaha, 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 \$145,600.00; and

WHEREAS, the bid of Hayes Mechanical is less than the estimate for the Steam Generator Boiler Repair.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Hayes Mechanical in the amount of \$145,600.00, for Steam Generator Boiler Repair, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 26, 2012.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 26, 2012	☐ City Attorney