



City of Grand Island

Tuesday, November 13, 2012

Council Session

Item G6

**#2012-319 - Approving Bid Award - Burdick Generating Station
Torque Converter for Gas Turbines 2 & 3**

Staff Contact: Tim Luchsinger, Utilities Director

Council Agenda Memo

From: Timothy G. Luchsinger, Utilities Director
Meeting Date: November 13, 2012
Subject: Burdick Generating Station Torque Converter – Gas Turbine 2 and 3
Item #'s: G-6
Presenter(s): Timothy G. Luchsinger, Utilities Director

Background

The Burdick Generating Station Gas Turbines 2 and 3 were commissioned in 2003. The torque converters for these turbines are part of the drive train between the main turbine rotor and the starting motor and are required for unit startup and require a lead time of nine months for replacement. In planning for critical spare parts inventories, plant management determine requirements based on past trends of parts failure in the industry and the impact on unit operation. Due to the operational need for a torque converter for unit operation and the projected delivery time of nine months, maintaining a spare torque converter in stock was recommended by staff and submitted for budget planning.

Discussion

The specifications for the Burdick Generating Station Torque Converter – Gas Turbine 2 and 3 were advertised and issued for bid in accordance with the City Purchasing Code. Bids were publicly opened on October 23, 2012. Specifications were sent to one potential bidder and responses were received as listed below. The engineer's estimate for this project was \$88,000.00.

Bidder	Bid Price
Voith Turbo, Inc. – York, PA	\$ 81,213.30

The bid was reviewed by plant staff. It 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 the Burdick Generating Station Torque Converter – Gas Turbine 2 & 3 to Voith Turbo, Inc., of York, Pennsylvania, as the low responsive bidder, in the amount of \$81,213.30.

Sample Motion

Move to approve the bid award of \$81,213.30 from Voith Turbo, Inc., for the Burdick Generating Station Torque Converter – Gas Turbine 2 & 3.



Jason Eley, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: October 23, 2012 at 2:00 p.m.
FOR: Burdick Generating Station Torque Converter – Gas Turbine 2 & 3
DEPARTMENT: Utilities
ESTIMATE: \$88,000.00
FUND/ACCOUNT: 520
PUBLICATION DATE: September 24, 2012
NO. POTENTIAL BIDDERS: 1

SUMMARY

Bidder: Voith Turbo, Inc.
York PA
Bid Security: Cashier's Check
Exceptions:

Bid Price:
Material: \$75,900.28
Labor: --
Sales Tax: \$ 5,313.02
Total Bid: \$81,213.30

cc: Tim Luchsinger, Utilities Director
Jason Eley, Purchasing Agent
Karen Nagel, Utilities Secretary

Bob Smith, Assist. Utilities Director
Pat Gericke, Utilities Admin. Assist.
Larry Keown, Power Plant Supt. - Burdick

P1598

RESOLUTION 2012-319

WHEREAS, the City of Grand Island invited sealed bids for Burdick Generating Station Torque Converter for Gas Turbines 2 & 3, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on October 23, 2012, bids were received, opened and reviewed; and

WHEREAS, Voith Turbo, Inc., of York, Pennsylvania, 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 \$81,213.30; and

WHEREAS, the bid of Voith Turbo, Inc., is less than the estimate for Burdick Generating Station Torque Converter for Gas Turbines 2 & 3.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Voith Turbo, Inc., in the amount of \$81,213.30, for Burdick Generating Station Torque Converter for Gas Turbines 2 & 3, 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 13, 2012.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
November 9, 2012	☐ City Attorney