CITY OF COFFEYVILLE
BOARD OF COMMISSIONERS AGENDA ITEM

MEETING DATE	September 22, 2015	
RESOLUTION OR ORDINANCE NUMBER	R-15-116	
AGENDA TITLE	**Mechanical Installation – CMLP Generation Facility No.2**	
REQUESTING DEPARTMENT	Electric	
PRESENTER	Michael Shook	
FISCAL INFORMATION	Cost as recommended:	$4,304,467.29
	Budget Line Item:	890-5-030-862 PLANT IMPROVEMENTS
	Balance Available	
	New Appropriation Required:	[ ] Yes [x] No
PURPOSE	Execute an agreement to perform mechanical installation services for the new generation project.	
BACKGROUND	The Electric Utility used the competitive and cooperative bid process to obtain price quotes to perform mechanical installation services for the Coffeyville Municipal Light & Power New Generation Project.	
SPECIAL NOTES		

ANALYSIS	Proposals were received from a total of seven (7) firms to perform the mechanical installation services as specified by Burns & McDonnell Engineering. 8760 Service Group Inc. was the low bidder. Proposals were evaluated by Burns & McDonnell Engineers, and City of Coffeyville Electric Utility Staff. The bid summary/analysis is attached for your review.
PUBLIC INFORMATION PROCESS	
BOARD OR COMMISSION RECOMMENDATION	
STAFF RECOMMENDATION	Staff recommends that the Mayor be authorized to enter into an agreement with 8760 Service Group Inc., to perform mechanical installation services for the new generation project, as designed and specified by Burns & McDonnell, in the amount of $4,304,467.29.
REFERENCE DOCUMENTS ATTACHED	Bid Summary/Analysis

RESOLUTION NO. R-15-116

A RESOLUTION TO ENTER INTO AN AGREEMENT WITH 8760 SERVICE GROUP INC. TO PERFORM MECHANICAL INSTALLATION SERVICES AS DESIGNED AND SPECIFIED BY BURNS & MCDONNELL FOR THE CITY OF COFFEYVILLE ELECTRIC UTILITY.

BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas that the Mayor be and is hereby authorized to enter into an agreement with 8760 Service Group Inc. to mechanical installation services as designed and specified by Burns & McDonnell in the amount of $4,304,467.29 for the City of Coffeyville Electric Utility.

ADOPTED THIS 22nd DAY OF SEPTEMBER, 2015.

_____
Christopher V. Williams, Mayor

ATTEST:

_____
Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
Paul Kritz, City Attorney

BID RESULTS
Bids Received on September 10, 2015

CITY OF COFFEYVILLE
C8320 - Mechanical Installation

BURNS McDONNELL

No.	Description	8760 Service Group	CCC Group	Summit	Saulsbury	Casey Industrial	Wanzek	Piping & Equipment
1	General Conditions	$ 1,114,582.85	$ 1,277,468.00	$ 1,543,641.00	$ 378,242.00	$ 800,000.00	$ 1,281,847.00	$ 900,000.00
2	Maintenance of Site Erosion Control Measures (BMPs)	$ 17,169.37	$ 8,590.00	$ 7,720.00	$ 8,758.00	$ 8,000.00	$ 10,150.00	$ 180,000.00
3	Receiving and handling of Owner Supplied Equipment	$ 50,050.65	$ 12,420.00	$ 303,147.00	$ 105,093.00	$ 92,500.00	$ 96,905.00	$ 350,000.00
4	Fire Suppression (F/I)	$ 204,472.42	$ 257,365.00	$ 133,965.00	$ 110,605.00	$ 217,200.00	$ 218,480.00	$ 197,000.00
5	Fire Detection (F/I)	$ 153,671.92	$ 155,569.00	$ 112,510.00	$ 126,937.00	$ 144,800.00	$ 154,975.00	$ 100,000.00
6	Piping (F/I)	$ 716,137.39	$ 1,010,838.00	$ 1,397,720.00	$ 1,012,137.00	$ 1,690,983.00	$ 1,058,178.00	$ 2,250,000.00
7	Pipe Testing	$ 39,983.27	$ 59,675.00	$ 239,246.00	$ 107,065.00	$ 137,000.00	$ 192,704.00	$ 210,000.00
8	Valves (F/I)	$ 474,673.89	$ 159,579.00	$ 110,652.00	$ 474,403.00	$ 202,560.00	$ 195,977.00	$ 240,000.00
9	Control Valves (F/I)	$ 59,404.68	$ 20,013.00	$ 8,772.00	$ 58,060.00	$ 16,400.00	$ 27,339.00	$ 35,000.00
10	Specials (F/I)	$ 119,790.28	$ 214,573.00	$ 56,483.00	$ 250,120.00	$ 426,500.00	$ 345,276.00	$ 195,000.00
11	Instrumentation (F/I)	$ 108,930.47	$ 239,331.00	$ 122,729.00	$ 121,643.00	$ 270,000.00	$ 232,427.00	$ 575,000.00
12	Hangers, Supports, and Anchors (F/I)	$ 55,130.70	$ 23,760.00	$ 16,952.00	$ 31,273.00	$ 120,000.00	$ 232,681.00	$ 320,000.00
13	Insulation (F/I)	$ 346,043.23	$ 367,343.00	$ 306,695.00	$ 333,960.00	$ 515,000.00	$ 582,663.00	$ 421,000.00
14	Contractor Provided Equipment (pumps, water treatment skid, eye wash stations, etc.)	$ 181,630.55	$ 88,794.00	$ 52,683.00	$ 121,441.00	$ 31,850.00	$ 29,233.00	$ 150,000.00
15	Erection of Owner Supplied Steel	$ 345,447.65	$ 359,600.00	$ 384,927.00	$ 958,252.00	$ 581,000.00	$ 486,041.00	$ 535,000.00
16	Installation of Owner supplied equipment	$ 266,343.58	$ 218,845.00	$ 425,701.00	$ 1,263,730.00	$ 395,000.00	$ 775,631.00	$ 979,000.00
17	Performance and Statutory Bonds	$ 36,598.30	$ 32,282.00	$ 40,442.00	$ 35,934.00	$ 32,980.00	$ 63,202.00	$ 90,000.00
18	ALLOWANCE - 200 hours for Wartsila Engine startup support after Substantial Completion	$ 14,406.09	$ 11,525.00	$ 15,311.00	$ 12,000.00	$ 18,000.00	$ 16,151.00	$ 50,000.00
	Bidders Total Price	**$ 4,304,467.29**	**$ 4,517,570.00**	**$ 5,279,296.00**	**$ 5,509,655.00**	**$ 5,699,773.00**	**$ 5,999,860.00**	**$ 7,777,000.00**

Recommendation of Award: Based on the evaluation criteria provided in the Invitation to Bid it appears that 8760 Service Group is the lowest responsible bidder. Two items about the evaluation of 8760 should be noted:

1) 8760 has not performed a contract of equal dollar value to their bid price. However, 8760 has performed many projects within the electric power industry including multiple that required greater man power to execute than the C8320 bid package. For this reason, 8760 can be treated as a responsible bidder with regards to the experience requirement.

2) The small size of 8760 represents a risk to the project. A review of 8760 financial records show a potential for 8760 to experience financial strain during execution due to the size of the contract. However, the company is showing recent positive cash flow, pays bills in a timely manner and is capable of bonding the project.

It is recommended that 8760 Service Group be awarded the contract for C8320 Mechanical Installation.