



Williams/Via

RESOLUTION NO. 6515

WHEREAS, sealed bids were requested and advertised, as required by law, for the following:

**REQUEST FOR PROPOSAL (RFP) NO. 5977
NEBRASKA CITY STATION UNIT 2
AIR PREHEATER REPLACEMENT BASKETS AND SEALS**

WHEREAS, bids were received and opened at the time and place mentioned in the published notices and the Director – Supply Chain Management supervised the tabulations, which have been submitted to this Board; and

WHEREAS, the Board of Directors has carefully considered the bids submitted, as well as the recommendations of the District's Management and General Counsel.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the proposal of Arvos Ljungstrom LLC in the amount of \$2,498,785.00 (Alternate Bid 1) for the supply of air preheater replacement baskets and seals for the Nebraska City Station Unit 2 boiler pursuant to Request for Proposal No. 5977 is hereby accepted, and the form of payment and performance bond of such bidder is approved.



Board Action

BOARD OF DIRECTORS

August 16, 2022

ITEM

Nebraska City Station Unit 2 Air Preheater Basket and Seal Replacement Materials

PURPOSE

Issue contract for the purchase of air preheater basket and seal materials for installation in both Nebraska City Station Unit 2 air preheaters to maintain unit efficiency and reliability.

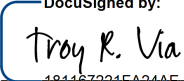
FACTS

- a. The existing baskets and seals are at the end of their expected life. Recent inspection reports have confirmed replacement of the baskets and seals is needed.
- b. The air preheater basket and seal work will be completed during the planned spring 2023 Unit 2 outage. Installation labor will be provided separate from this contract.
- c. One bid was received which included two additional bid options in addition to the base bid. The base bid and alternates were determined to be legally and technically responsive with Alternate Bid 1 providing the most value.

ACTION

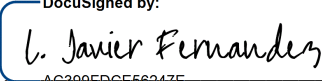
Authorization by the Board to award a contract to Arvos Ljungstrom LLC for the Nebraska City Station Unit 2 Air Preheater Basket and Seal Materials in the amount of \$2,498,785.

RECOMMENDED:

DocuSigned by:

 181167221FA24AE...

 Troy R. Via
 Chief Operating Officer and Vice
 President – Utility Operations

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

 AG399FDCE56247E...

 L. Javier Fernandez
 President and Chief Executive Officer

TRV:sae

- Attachments: Letter of Recommendation
 Tabulation of Bids
 Legal Opinion
 Resolution



MEMORANDUM

DATE: July 29, 2022

UO-2022-006

FROM: S.A. Eidem

TO: T.R Via

SUBJECT: Nebraska City Station Unit 2 Air Preheater Basket and Seal Materials

1.00 GENERAL

Request for Proposal (RFP) No. 5977 is for the material procurement contract for replacement baskets and seals utilized in the Nebraska City Unit 2 (NC2) air preheaters. The contract is for the supply of materials only and does not include installation. An installation contract is planned to be awarded later in 2022. Installation is planned to occur during the scheduled unit outage in the spring of 2023.

There are two layers of baskets within the two Nebraska City Station Unit 2 air preheaters. Recent inspections found normal wear and fouling on both layers consistent with their age therefore replacement is needed to maintain unit reliability and efficiency. Replacement baskets for both layers are included in this contract, along with the required seals.

The contract was advertised on June 14, 2022. No addenda or letters of clarification were issued. Bids were received and opened on July 13, 2022. One company submitted a bid which included two alternatives in addition to the specified base bid. The Engineers estimate for this work was \$3,600,000. The bid prices are as follows:

Arvos Ljungstrom LLC (Base Bid)	\$2,405,705
Arvos Ljungstrom LLC (Alternate Bid 1)	\$2,498,785
Arvos Ljungstrom LLC (Alternate Bid 2)	\$3,011,187

2.00 COMPLIANCE WITH CONTRACT TERMS AND CONDITIONS

The proposals were referred to the District's legal counsel for review. The proposals received in response to the District's RFP No. 5977 may be considered by the District's Board of Directors for the award of this contract.

3.00 COMPLIANCE WITH TECHNICAL REQUIREMENTS

The proposals received were determined to comply with the technical requirements and were economically evaluated. Alternate Bid 1 featured a new basket design offering improved performance and durability with reduced pressure loss for gases flowing through the baskets and was determined to be the lowest, best bid.



Alternate Bid 2 featured the same design improvements as Alternate Bid 1 plus a ceramic coating on the cold end baskets for additional corrosion resistance. Alternate Bid 2 was determined to be un-economical as the cold end baskets have no history of significant corrosion.

4.00 RECOMMENDATION

Based on compliance with legal and technical requirements of this specification, it is recommended the Board of Directors authorize award of Request for Proposal No. 5977 to Arvos Ljungstrom LLC for \$2,498,785 (Alternate Bid 1).

Scott A. Eidem

S.A. Eidem, P.E.
Director, Engineering Services
Utility Operations

<p align="center">TABULATION OF BIDS Opened at 2:00 p.m., C.D.T., Wednesday, July 13, 2022, in Omaha, Nebraska</p>		<p align="center">REQUEST FOR PROPOSAL NO. 5977</p> <p align="center">Nebraska City Station Unit 2 Air Preheater Replacement Baskets and Seals</p>		<p align="right">DocuSigned by:  C171422F76EE422... Director</p> <p align="right">Supply Chain Management  5EC5B86007EE4F6... Compiled by and Certified Correct</p>	
<p align="center">Anticipated Award Date August 18, 2022</p>					
<p align="center">ENGINEER'S ESTIMATE</p> <p align="center"><u>\$3,600,000.00</u></p>					
<p align="center">BID ITEM</p>		<p>BIDDER'S NAME & ADDRESS</p>			
		<p align="center">Arvos Ljungstrom LLC 3020 Truax Road Wellsville, NY 14895</p>			
		<p>SUPPLIER'S BID</p>	<p>SUPPLIER'S BID</p>	<p>SUPPLIER'S BID</p>	
1.	<p><u>Proposal Price(S)</u></p> <p>Total Base Bid</p>	<p><u>\$2,405,705.00</u></p>	<p>_____</p>	<p>_____</p>	
2.	<p><u>Delivery Guarantee(s)</u></p> <p>Desired Delivery Date: April 7, 2023</p>	<p><u>Guaranteed Delivery Date</u></p> <p><u>April 7, 2023</u></p>	<p><u>Guaranteed Delivery Date</u></p> <p>_____</p>	<p><u>Guaranteed Delivery Date</u></p> <p>_____</p>	



FRASER STRYKER

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July 14, 2022

Omaha Public Power District
444 South 16th Street
Omaha, NE 68102

RE: Request for Proposal No. 5977 – Nebraska City Unit 2 air preheater baskets

Ladies and Gentlemen:

We have reviewed the single proposal of Arvos Ljungstrom LLC for RFP No. 5977 and provide the following legal opinion.

The Arvos proposal states that it is valid only for 30 days. In order to consider the Arvos bid, the District must obtain a letter of clarification from Arvos stating that the bid remains valid through the anticipated contract award date of August 18, 2022. Please also note that the Arvos proposal sets forth payment terms that differ from the District's standard terms, and those payment terms need to be evaluated by the District. Finally, Arvos proposes to use a previously executed contract between Arvos and the District. The subject contract is a Master Procurement Agreement dated December 12, 2018. This approach is acceptable, although I recommend that the contract documents be conformed to make it clear that the proposal for RFP 5977 will be covered under the previously executed Master Procurement Agreement.

Subject to the foregoing comments and the District's technical and economic evaluation, the Arvos proposal may be considered by the District's Board of Directors for the award of this contract. The form of performance and payment bond also must be approved by the District.

Very truly yours,

Stephen M. Bruckner
FOR THE FIRM