RESOLUTION NO. 6570

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

REQUEST FOR PROPOSAL (RFP) NO. 6047
NC1 AIR PREHEATER BASKETS AND SEALS MATERIALS

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 $3,420,256.00 for the material procurement for replacement baskets and seals for Nebraska City Station Unit 1 air preheaters pursuant to Request for Proposal No. 6047 is hereby accepted, and the form of payment and performance bond of such bidder is approved.
DATE: May 4, 2023

FROM: S.A. Eidem

TO: T.R. Via

SUBJECT: Nebraska City Station Unit 1 Air Preheater Basket and Seal Materials

1.00 GENERAL

Request for Proposal (RFP) No. 6047 is for the material procurement contract for replacement baskets and seals utilized in the Nebraska City Station Unit 1 (NC1) air preheaters. The contract is for the supply of materials only and does not include installation. An installation contract is planned to be awarded in August 2023. Installation is planned to occur during the scheduled unit outage in the spring of 2024.

There are three layers of basketed heat transfer elements within the NC1 air preheaters (hot end, hot intermediate, and cold end) that require replacement to maintain unit reliability. Replacement baskets for all three layers are included in this contract, along with replacement seals.

The contract was advertised on March 16, 2023. No addenda or letters of clarification were issued. Bids were received and opened on April 12, 2023. One company submitted a bid. The Engineers estimate for this work was $3,100,000. The bid prices are as follows:

- Arvos Ljungstrom LLC (Base Bid) $3,417,128
- Arvos Ljungstrom LLC (Alternate Bid) $3,420,256

The alternate bid included a design improvement for the primary air preheater cold end baskets only (two of the four air preheaters). The revised design increases resistance to soot blower cleaning damage while maintaining similar thermal and pressure loss performance compared to the existing basket design.
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. 6047 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.

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. 6047 to Arvos Ljungstrom LLC for $3,420,256.

S.A. Eidem, P.E.
Director, Engineering Services
Utility Operations
**REQUEST FOR PROPOSAL NO. 6047**

NC1 Air Preheater Baskets and Seals Materials

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<tr>
<th>BID ITEM</th>
<th>BIDDER'S NAME &amp; ADDRESS</th>
<th>SUPPLIER'S BID</th>
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<td>Arvos Ljungstrom LLC</td>
<td>$3,417,128.00</td>
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<td>3020 Truax Road</td>
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<td>Wellsville, NY 14895</td>
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1. **Proposal Price(S)**
   - **Total Base Bid**: $3,417,128.00

2. **Delivery Guarantee(s)**
   - **Guaranteed Delivery Date**: April 12, 2024
April 19, 2023

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

RE:  Request for Proposal No. 6047 - NC1 air preheater basket and seal materials
     (2024)

Ladies and Gentlemen:

We have reviewed the single proposal received from Arvos Ljungstrom LLC for the above-referenced RFP. The Arvos proposal includes a performance guarantee that should be evaluated by the District. Arvos also presents an alternate payment schedule and proposes that the payment schedule serve in lieu of a performance and payment bond. This contract is for materials only, and if the District is assured there are no subsuppliers or subcontractors who might make claim for non-payment by Arvos, then a payment schedule, with OPPD owning the materials at invoicing, will be sufficient. Arvos also proposes to utilize the terms and conditions of the previous agreement with OPPD dated December 12, 2018. Those terms are legally acceptable, but if Arvos is awarded the contract, those terms will need to be revised to conform to this project.

Subject to the foregoing comments and the District's technical and economic evaluation, the Arvos proposal is acceptable for consideration by the District's Board of Directors for the award of this contract.

Very truly yours,

Stephen M. Bruckner
FOR THE FIRM

SMB:sac

2993134
Board Action

BOARD OF DIRECTORS

May 16, 2023

ITEM

Nebraska City Station Unit 1 Air Preheater Basket and Seal Replacement Materials

PURPOSE

Issue contract for the purchase of air preheater basket and seal materials for installation in the four Nebraska City Unit 1 (NC1) air preheaters.

FACTS

a. The existing baskets and seals are at the end of their service life. Recent inspection reports have confirmed replacement of the baskets and seals is needed to maintain unit reliability.

b. The air preheater basket and seal work will be completed during the NC1 planned spring 2024 outage. Installation labor will be provided separate from this contract.

c. One bid was received. The bid was determined to be legally and technically responsive.

ACTION

Authorization by the Board to award a contract to Arvos Ljungstrom LLC for the Nebraska City Station Unit 1 Air Preheater Basket and Seal Materials in the amount of $3,420,256.00.

RECOMMENDED: Troy Via
Chief Operating Officer and Vice President – Utility Operations

APPROVED FOR BOARD CONSIDERATION: L. Javier Fernandez
President and Chief Executive Officer

TRV:sae

Attachments: Letter of Recommendation Tabulation of Bids Legal Opinion Resolution