



Utilities Department

**Platte Generating Station
Fly Ash Purchase 2011 - 2016**

Advertisement to Bidders

Instructions to Bidders (Section A)

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**ADVERTISEMENT TO BIDDERS
FOR
PLATTE GENERATING STATION FLY ASH PURCHASE
FROM UTILITIES DEPARTMENT
CITY OF GRAND ISLAND, NEBRASKA**

Sealed bids will be received at the office of the **City Clerk**, 100 East First Street, P.O. Box 1968, Grand Island, Nebraska, 68802, until **2:00 p.m.**, **(local time)** on, **Wednesday, July 27, 2011**, for the purchase of fly ash produced by the City's Platte Generating Station. Bids will be publicly opened at this time in the City Council Conference Room #1, located on the first floor of City Hall. Bids received after the specified time will be returned unopened to sender.

Specifications are on file in the office of the Utilities Department. Bids shall be submitted on forms which will be furnished by the City. Bid package is also available on-line at www.grand-island.com – under Business – Bids & Requests for Proposals – Bid Calendar.

Successful bidder shall maintain a Drug Free Workplace Policy.

Bids will be evaluated by the City based on conformity to specifications, price, quality, experience, and qualifications of the contractor, contractors past performance and contractors demonstrated ability to successfully handle the requirements of the contract. The City reserves the right to reject any or all bids, to waive technicalities, and to accept whichever bid that may be in the best interest of the City.

No bidder may withdraw said bid for a period of 60 days after date of bid opening.

RaNae Edwards
City Clerk

INSTRUCTIONS TO BIDDERS

A-1 EXCEPTIONS TO SPECIFICATIONS: The purpose of the attached Contract specifications is to give detailed data on the work associated with the Contract, scope of Contract, quality of work, materials and equipment required, standards used in determining its acceptability and similar data. Each bidder shall carefully check all requirements herein set forth and shall offer equipment and work which fully comply with these requirements or shall plainly set forth all points, features, conditions, specifications, etc., wherein their services do not meet these specifications. Such exceptions as are made shall be listed by page number in the following blanks and shall be marked in ink on the pages of these specifications. Exceptions shall be explained in detail in a letter accompanying the bid. Reference shall not be made to the bidder's bid for exceptions and supplementary terms. Failure to outline such exceptions will require the successful bidder to comply with these specifications.

Exceptions to specifications, pages _____

A-2 SUBMISSION OF BIDS: All bids shall be submitted on the forms hereto attached (Section B), which shall remain bound as the complete Contract Documents as originally issued. Copies of addenda, if any, shall be signed and submitted with the bid. Bidders shall furnish all information requested herein by filling in the blanks in the submitted copies of this specification.

Each bid shall be plainly headed with the name of the bidder, bidder's address, and telephone number. The envelope containing the bid shall be sealed and plainly marked, "BID FOR PLATTE GENERATING STATION FLY ASH PURCHASE."

Three copies of Section D (Contract Agreement) are enclosed for signature. All three are required to be signed and returned with the total package. The Company awarded the bid will receive one fully executed original Contract document after the City Council meeting held Tuesday, August 9, 2011.

A-3 IF ADDITIONAL INFORMATION is required from the City of Grand Island, Nebraska, please contact:

Lynn Mayhew, Power Plant Superintendent, PGS
Grand Island Utilities Department
Platte Generating Station
1035 W. Wildwood Drive
Grand Island, NE 68801
Telephone: (308) 385-5494

A-4 SITE CONDITIONS: Bidders shall visit the site in order to inform themselves of the conditions under which the work is to be performed, concerning the site of the work, the nature of the existing facilities, the obstacles which may be encountered, the sequence of the work, and all other relevant matters concerning the work to be performed and, if awarded the Contract, shall not be allowed any extra compensation by reason of any matter or thing concerning which such bidder might have fully informed himself, because of his failure to have so informed himself prior to the bidding. The Contractor shall employ, so far as possible, such methods and means in the carrying out of his work as will not cause any interruption or interference with the City's operations and any other contractors.

A site visit may be arranged by contacting Lynn Mayhew at (308) 385-5494.

Signature of person visiting site: _____

Signature of Utilities' personnel witnessing visit: _____

Date of visit: _____

A-5 INSURANCE COVERAGE: The Contractor shall purchase and maintain at Contractor's expense as a minimum insurance coverage of such types and in such amounts as are specified in Section C14 to protect the Contractor and the interest of the City and others from claims which may arise out of or result from Contractor's operations under these Contract Documents, whether such operations be by the Contractor or by any subcontractor or anyone directly or indirectly employed by any of them or for whose acts any of them may be legally liable. Failure of Contractor to maintain proper insurance coverage shall not relieve him of any contractual responsibility or obligation.

A-6 BASE BID: The bidder is expected to base its bid on work which complies fully with the specifications and in the event the bidder names items which do not conform, the bidder will be responsible for furnishing work which fully conforms at no change in the bid price.

A-7 ALTERNATE BIDS: It is the desire of the City that the bidder base its bid price for this Contract on the written specifications. If an unsolicited alternate bid or bids are submitted by a bidder, it is desired that the bidder first submit a Proposal price as above described and then describe the alternate bid. Failure to do so may be reason for not extending any consideration to alternate bids.

A-8 BIDDER QUALIFICATION: Bids will be received only from qualified bidders. A bidder may be considered qualified if the firm is experienced in the type of work specified herein and has successfully completed similar projects of equal or greater size within the last five years. Each bidder shall submit with its bid a written list of these similar projects. The list should state quantity of ash purchased, and other pertinent conditions. Each bidder shall furnish evidence as to ability to finance this project, and to

furnish the necessary materials and equipment for the work. Each bidder shall furnish the City the information requested above, information requested in the bid section of these specifications, and any additional information that the City may request during the evaluation of bids. The City will evaluate the bids based upon this information.

In determining the bidder's qualifications, the following factors will be considered: experience of the bidder in the type of work specified herein, sales and marketing experience of the bidder, appropriate technical experience, financial resources to meet all the obligations incident to this work, and permanent place of business.

The City reserves the right to reject any bidder who does not pass the bidder qualification evaluation to the City's satisfaction. Bidders who provide false or misleading information shall be disqualified. The City reserves the right to disqualify any or all bidders and to waive informalities or other requirements to achieve results that will be in the best interest of the City.

A-9 PERFORMANCE BOND: On award of the Contract, the Contractor shall furnish a Performance Bond on the form included in this document which shall be in an amount equal to \$50,000, guaranteeing faithful compliance with all requirements of the Contract Documents, complete fulfillment of the Contract, and payment of all labor, material and other bills incurred in carrying out this Contract. According to Nebraska Law 44-344, a Nebraska Resident Agent must sign the Performance Bond.

A-10 REQUEST FOR INTERPRETATION: If any person contemplating submitting a bid for this Contract is in doubt as to the true meaning of any part of the Contract Documents, a written request for an interpretation thereof may be submitted to the City. The person submitting the request will be responsible for its prompt delivery. Any interpretation of the Contract documents will be made only by addendum duly issued and/or delivered to each person receiving a set of such documents. Any addenda shall be signed and submitted with the bid and upon closing shall become a part of the Contract. The City will not be responsible for any other explanation or interpretation of the Contract Documents.

A-11 TIME OF CONTRACT: Services pursuant to this Contract shall begin October 1, 2011 and end September 30, 2016.

A-12 BID DATA: Bidders shall submit bid data as indicated in the bid by filling in the sheets bound into the specifications.

Each bidder shall submit with its bid detailed information demonstrating ability to do the work required in this contract, including available equipment, available labor, material handling, experience, marketing ability, past ash sales volumes etc.

Bidders shall submit with their bids a detailed description of the transport truck which would be utilized to transport the fly ash off-site for sale and on-site for disposal.

A-13 FINANCIAL STATEMENT: The bidder shall furnish with the bid, the firm's most current annual report. Upon request a complete financial statement signed by the bidder, if an individual, by all partners if the bidder is a partnership, or by the president or secretary if the bidder is a corporation, shall be furnished.

A-14 CERTIFICATE OF AUTHORITY: In accordance with the laws of the State of Nebraska, when a nonresident contractor enters into agreement with the City to provide such services as outlined in these specifications, the contractor shall secure a Certificate of Authority to transact business within the State of Nebraska. A certified copy of such Certificate of Authority shall be provided by this contractor to the City prior to performing any work under this Contract.

SECTION B

Bid Document

Dated 1st day of July, 2011

TO: THE CITY OF GRAND ISLAND
GRAND ISLAND, NEBRASKA

Subject: Platte Generating Station
Fly Ash Purchase

Gentlemen:

The undersigned, being familiar with the attached Contract Documents, which are as follows: Advertisement to Bidders, Instructions to Bidders, Contract Detailed Specifications, and Contract Agreement, all of which Contract Documents are made a part hereof, hereby proposes, in compliance with said Contract Documents, to furnish all labor, equipment, materials, drayage, tools, supervision, etc., and to complete said work at the following firm prices:

ITEM	PRICE IN WORDS	PRICE IN FIGURES
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B-1 BID PRICE: The bidder shall complete the work as stated in these "Specifications for Platte Generating Station Fly Ash Purchase," for:

B-2 ALL USABLE FLY ASH PRODUCED, the Contractor shall pay the City the firm price per equivalent dry ton of:

_____ Dollars (\$_____)

B-3 THE CONTRACTOR AGREES THAT IT is in the best interests of the City to have the Contractor remove all fly ash from the Platte Generating Station site and to utilize on-site disposal only for unusable ash, due to the fact that the City has limited on-site disposal facilities and incurs ongoing, non-recoverable expenses as a result of on-site disposal. Therefore, the Contractor may utilize on-site disposal of fly ash at Platte Generating Station only for unusable ash and with the permission of the Utilities Director or Power Plant Superintendent in charge of Platte Generating Station and for good cause shown.

B-4 FAILURE OF THE CONTRACTOR TO REMOVE 100% of the usable fly ash produced by Platte Generating Station during each calendar year of the Contract term shall be reason to terminate the Contract at the sole discretion of the City.

B-5 THE SUCCESSFUL BIDDER SHALL ENTER CONTRACT and provide the required Performance Bond within 10 days after notification of award.

B-6 EXPERIENCE DATA: Each bidder shall supply the following data on his experience:

Name of Bidder: _____

<u>Project Owner</u>	<u>Project Location</u>	<u>Tonnage Fly Ash Sold</u>	<u>Tonnage Fly Ash Landfilled</u>	<u>Date of Completion</u>

Additional Data _____

B-7 TIME OF CONTRACT: It is the intention that the City Council will award this Contract on Tuesday, August 9, 2011, and the Contractor shall begin removal of fly ash on **October 1, 2011**. The Contractor shall immediately obtain after award of the Contract and submit to the City proof of carriage of all required insurance, the signed Contract documents and the required bond, prior to **September 15, 2011**. Services pursuant to this Contract shall be continuous for a five year period and end **September 30, 2016**.

B-8 SELECTION OF BID: The undersigned understands and agrees that the City has the right to reject any and all bids, to waive informalities or other requirements for its benefit and to accept such Proposal as it deems to its best interest whether the price is the lowest or not.

It is the intent of the City that 100% of the usable fly ash be taken from the Platte Generating Station site and be put to beneficial use.

B-9 USABLE FLY ASH: If the fly ash is rendered unusable (e.g. it got wet, or City's combustion equipment malfunctions) through no fault of the Contractor, his employees or agents, and must be disposed of in the on-site storage area, the City will pay the Contractor \$1.00/equivalent dry ton for placing the unusable fly ash in the on-site storage area. "Unusable" as stated in these specifications shall pertain only to the chemical and physical properties required for normal use and sales.

SECTION C

CONTRACT DETAILED SPECIFICATIONS FOR PLATTE GENERATING STATION FLY ASH PURCHASE

C-1 GENERAL: Fly ash is a by-product of the combustion of coal to generate electricity at Grand Island's Platte Generating Station. The Station is located south of the City of Grand Island in Hall County, Nebraska.

A railroad spur track extending from the mainline of the Union Pacific Railroad serves the site.

All usable fly ash resulting from the burning of coal at the Platte Generating Station shall be removed from the site by the purchasing Contractor.

The Contractor shall assume full responsibility for removing fly ash from the Platte Generating Station fly ash storage silo as frequently as required to assure continuous operation of the fly ash systems and to maintain the fly ash silo in a less than 2/3rd full condition. This Contractor shall have all equipment in place and begin removing fly ash from the existing storage silo beginning **October 1, 2011**.

The Contractor shall conduct ash removal operations so as to comply with all Federal, State and Local environmental laws, rules and regulations.

The City makes no representations or warranties with respect to the quantity, quality, condition or fitness for use of any ash removed under this Agreement, and expressly disclaims any and all warranties whether express or implied.

C-2 CONTRACTOR SHALL PURCHASE ALL fly ash produced during the term of this contract from Platte Generating Station unless ash is agreed by the City to be unusable as stated in paragraph B-9.

C-3 INTENT OF THE CONTRACT: It is the intent of the Contract to describe the functionally complete services, titled "Platte Generating Station Fly Ash Purchase" to be provided. Labor, materials, equipment and design inferred from the specifications as being required to produce the intended results shall be supplied, whether or not specifically called for in the specifications.

The Contractor shall pay the lump sum price named in these specifications and shall include the furnishing of all labor, materials, equipment, transportation costs, equipment rental, storage, etc., necessary to provide the services in accordance with these specifications. It shall include all labor and material necessary to protect and replace in its original condition or better, all facilities at the Platte Generating Station site that are damaged by the activities of this Contractor.

C-4 SCOPE OF CONTRACT: This Contract shall include furnishing all material, transportation costs, storage, equipment, labor and tools necessary to provide the services in accordance with the specifications.

This Contract shall be for a five year period during which time the Contractor shall assume full responsibility for maintaining the fly ash storage silo in a less than 2/3rds full condition, unless written permission is granted by the Platte Generating Station Superintendent. Fly ash shall be removed from the storage silo by the Contractor.

Contractor shall provide weigh tickets and a full accounting of all ash purchased and any unusable ash placed in the on-site storage area.

The Contractor shall not use ash from the site for other than legitimate, "normally done" use. The Contractor shall not landfill ash in any location other than the on-site storage area.

C-5 SAFETY PRECAUTIONS: The Contractor shall be responsible for all necessary safety precautions.

C-6 INTERFERENCE: All work by the Contractor shall not in any way interfere with the operation of the Platte Generating Station. The Contractor shall confine his activities to the fly ash storage silo, associated roads, ash pond, and access road to the ash pond.

C-7 ASH ACCUMULATIONS: Historical fly ash production is approximately 15,000 tons per year.

The City does not in any way guarantee the aforementioned quantities of fly ash to the Contractor. It is expressly understood that this value represents the best estimate of the City at this date. Outages of the plant, purchases and sales of power from and to other utilities, change in fuel supply, and other cost factors may be cause for large variations from the projected ash production estimates.

C-8 FLY ASH SYSTEM: Fly ash is pneumatically transported from twelve precipitator hoppers and from four economizer hoppers through a common header to a single fly ash storage silo. This silo is located on the west side of the Platte Generating Station boiler, and has sufficient storage for 18,653 ft³ (560 tons) of fly ash. This is the estimated accumulation of fly ash for 140 hours of operation at full load. It is anticipated that approximately 5% of the fly ash will consist of fly ash from the economizer hoppers.

Removal of fly ash from the fly ash silo shall be made into a closed bed type truck to be provided by the Contractor. Any on-site fly ash disposal shall be done in a dust-controlled manner acceptable to the City and in accordance with all federal and state

environmental regulations regarding fugitive dust. The City will be sole judge of dust-control acceptability.

C-9 ASH HANDLING EQUIPMENT: The City is responsible for maintenance and operation of the ash handling system. Fly ash shall normally be removed by the Contractor between the hours of 6:00 a.m. and 9:30 p.m. seven days per week as required to maintain the fly ash silo in less than 2/3rds full condition. In the event of ash handling equipment breakdown or for other reasons as required by the City, it may be necessary for the Contractor to operate at any hour of the day.

Contractor personnel shall operate the ash silo unloading equipment to fill their trucks after receiving appropriate instructions and proper training from the City. The Contractor shall notify the City prior to operating the ash unloading equipment so that the City may witness the unloading operation. Contractor personnel shall be responsible for cleaning up all spilled ash which occurs as a result of Contractor's activities.

The Contractor shall give his personal attention to the work at all times, and shall have a duly authorized representative on the site continuously during all loading and disposal operations to receive directions or instructions. Any instructions or directions given to the representative of the Contractor shall be considered the same as though given to principal of the Contractor. The Contractor shall supervise and direct the work efficiently with skill and attention. The Contractor shall be solely responsible for the means, methods, techniques, sequences and procedures used.

C-10 TONNAGE OF ASH HANDLED – MEASUREMENT: Approximately 10 days after the end of each month, the Contractor shall provide to the City weigh scale tickets from a valid certified scale which indicate the number of tons of ash removed from the fly ash silo during that month.

The City does not have weighing facilities for trucks at the Platte Generating Station. The weighing facilities located at the site are owned by Flatwater Materials, Inc. of Grand Island, Nebraska.

C-11 SUBCONTRACTING: No part of the work covered by this Contract shall be sublet or assigned by the Contractor without the prior written approval of the City.

The Contractor shall not be relieved of his obligations under this Contract by subletting or assignment even with the City's approval. The Contractor shall, at the written request of the City, terminate assignments and subcontracts should they fail to perform, in the opinion of the City, the work in accordance with the requirements of the specifications.

C-12 LEGAL REQUIREMENTS: The Contractor shall do all work in such a manner as to comply with all City Ordinances, and laws of the City, County, State and Nation as apply to the work herein outlined. The Contractor shall also obtain all necessary licenses and permits and keep necessary records as required.

C-13 PAYMENTS BY CONTRACTOR: The City shall invoice the Contractor monthly and payment terms are net 30 days from the date of the invoice. The Contractor agrees to pay the City a finance charge equal to the New York prime rate published in the Wall Street Journal Daily for all invoices more than 30 days old. The Contractor's account with the City in connection with the Contract, including invoices and finance charges, shall be paid in full and cleared at least once annually on October 31 of each year during the term of the Contract.

C-14 PROOF OF CARRIAGE OF INSURANCE: The Contractor shall furnish the City satisfactory proof in carriage of the insurance required. All certificates of insurance shall state that ten days written notice will be given to the City and Engineer before the policy is canceled or changed. A Certificate of Insurance shall be furnished to the City for the term of the contract.

Each certificate of insurance shall state the type coverage certified and shall be identified as one of the following:

Insurance Coverage	Limits
A. Workmen's Compensation Employer's Liability Bodily Injury by Accident Bodily Injury by Employee \$500,000 policy limit	Statutory \$100,000 each person \$100,00 each accident \$100,000 each employee
B. Comprehensive Automobile Bodily Injury \$500,000 each occurrence Property Damage	\$500,000 each person \$500,000 each occurrence
C. Comprehensive General Liability Bodily Injury \$500,000 each occurrence Property Damage \$1,000,000 aggregate	\$500,000 each person \$500,000 each occurrence
D. Independent Contractor's Protective Liability \$500,000 annual aggregate	\$500,000 each occurrence
E. Personal Injury \$1,000,000 annual aggregate	\$500,000 each occurrence
F. Broad Form Property Damage Umbrella Policy	\$500,000 \$2,000,000
H. Owner's Protective Liability Insurance Bodily Injury \$1,000,000 each occurrence Property Damage \$1,000,000 aggregate	\$1,000,000 each person \$500,000 each occurrence

C-15 INDEMNIFICATION: The Contractor agrees to indemnify and hold harmless the City, the Engineer, or any employee, director or agent of either of them, from and against all claims, damages, losses and expenses including attorneys' fees arising from deaths or accidents or destruction of tangible property (other than the work itself) including the loss of use resulting therefrom, attributable to the Contractor, or its subcontractors, in the work contemplated and done under this Contract, and to indemnify and hold harmless the City, the Engineer, or any employee, director or agent of either of them, from and against all claims, damages, losses and expenses including attorneys fees, decrees or judgments whatsoever arising from any and all injuries, including death or damages or destruction of property resulting to any third person or persons, corporations, partnerships or associations caused by any act, omission, failure or neglect of the Contractor, its subcontractors or agents, servants and employees, or other persons under its supervision or direction in the performance of any work under the terms of this Contract.

This indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable for or by the Contractor or any subcontractor, manufacturer or supplier under Workmen's Compensation Acts, disability benefit acts, or other employee benefit acts.

SECTION D

CONTRACT AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 2011, by and between the CITY OF GRAND ISLAND, NEBRASKA a municipal corporation under the laws of the State of Nebraska acting through their Council, as Party of the First Part and hereinafter termed the "City" and

_____ of _____ in the State of _____, Party of the Second Part and hereinafter termed the "Contractor,"

WITNESSETH:

THAT WHEREAS: The City has caused to be prepared specifications and other Contract Documents for the work herein described, and has approved and adopted said Contract Documents and has caused to be published an advertisement inviting sealed proposals for:

Platte Generating Station Fly Ash Purchase

Specified herein, in accordance with the terms of the Contract; and

WHEREAS, the said Contractor, in response to such advertisement, has submitted to the City, in the manner and at the time specified, a sealed Proposal in accordance with the terms of said advertisement; and

WHEREAS, the City has publicly opened, examined, and canvassed the Proposals submitted in response to the published invitation therefor and, as a result of said canvass has determined and declared the aforesaid Contractor to be the lowest and/or best bidder for:

Platte Generating Station Fly Ash Purchase

and has duly awarded to the said Contractor a contract therefor, as stated more in detail in the Contract Documents, to wit: Advertisement to Bidders, Instructions to Bidders, Bid, Contract Detailed Specifications, and Contract Agreement all of which documents are attached hereto and made a part of this Contract, for the prices and amounts hereinafter set forth.

NOW THEREFORE: In consideration of the compensation to be paid to the City by the Contractor, and of the mutual agreements herein contained, the Parties of these presents have agreed and hereby agree, the City for itself and its successors and the Contractor for itself, himself, or themselves, or its, his or their successors and assigns, or its, his or their executors and administrators as follows:

ARTICLE I: That the Contractor shall (a) furnish all tools, equipment, supplies, superintendence, transportation, and other accessories, services and facilities; (b) furnish all materials, supplies and equipment specified; (c) provide and perform all necessary labor; and (d) in good substantial and workmanlike manner and in accordance with the provisions of this Contract Document, execute and complete all work included in and covered by the City's official award of this Contract to the said Contractor, such award being based on the acceptance by the City of Items and subitems of the bid as follows:

ARTICLE II: That the Contractor shall pay to the City for fly ash, and the City will accept as full compensation therefor, the sum of:

_____ (\$._____ per ton)

payment thereof to be made in the manner provided in the Contract Specifications.

ARTICLE III: Any and all suits for any and every breach of this Contract may be instituted and maintained in any court of competent jurisdiction in the County of Hall, State of Nebraska.

Any action at law, suit in equity or judicial proceedings for the enforcement of this Contract or any provision thereof shall be instituted only in the courts of the State of Nebraska.

It is mutually understood and agreed that this Contract shall be governed by the laws of the State of Nebraska, both as to interpretation and performance.

IN WITNESS WHEREOF: The Parties of the First and Second Parts have hereto set their hands and seals on the day and year above written.

CITY OF GRAND ISLAND, NEBRASKA
Party of the First Part

Approved as to form:

City Attorney

By _____

Title _____

ATTEST:

City Clerk

CONTRACTOR
Party of the Second Part

By _____

Title _____

ATTEST:

Title _____