

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20050533

1. ACTION REQUESTED/PURPOSE:

Approve award of formal quotation (RFP B&R 2661-SM111) and issuance of a purchase order to Graham Corporation, the low priced proposer, meeting all specification requirements for a main condenser in the amount of \$411,360.00.

2. WHAT ACTION ACCOMPLISHES:

Provides the necessary main condenser for the Waste To Energy Expansion Project.

3. MANAGEMENT RECOMMENDATION: Staff recommends approval of this request.

4. Departmental Category: 8

C&B

5. Meeting Date: *05-03-2005*

6. Agenda:

- Consent
- Administrative
- Appeals
- Public
- Walk-On

7. Requirement/Purpose: (specify)

- Statute
- Ordinance
- Admin. Code *4-1*
- Other

8. Request Initiated:

Commissioner _____
 Department Public Works
 Division Solid Waste
 By: Lindsey J. Sampson

9. Background:

Sealed quotes were received by the County's design engineer, Burns & Roe, on behalf of the Solid Waste Division on February 2, 2005. On that date four (4) responses were received. After review and conformance for technical and commercial requirements recommendation was made to award to the low-priced proposer meeting all specification requirements. Backup documentation refers to a price adder of \$3,250.00 for the option of a performance bond. The Solid Waste Division does not want to make use of this option.

Funds are available in account string: 200923 40102.506540

- Attachments: Burns & Roe bid evaluation dated 3/7/05
 Bid Tabulation sheet
 Burns & Roe summary term sheet dated 3/30/05

10. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
					Analyst	Risk	Grants	Mgr.	
<i>[Signature]</i> 4/20/05	<i>N.H.F.A.</i> <i>J.S.</i>	<i>N.A.</i>			<i>[Signature]</i> 4/21/05	<i>[Signature]</i> 4/21/05	<i>[Signature]</i> 4/21/05	<i>[Signature]</i> 4/21/05	<i>[Signature]</i> 4/20/05

11. Commission Action:

- Approved
- Deferred
- Denied
- Other

Rec. by CoAtty
 Date: *4/21/05*
 Time: *11:00*
 Forwarded To: *[Signature]*
4/21/05

RECEIVED BY COUNTY ADMIN
[Signature]
 4-21-05 -mb.
 11:45 am
 COUNTY ADMIN
 FORWARDED TO: *[Signature]*
 4-21-05
 4/21/05

March 30, 2005

WO 2661
Lee County WTE Expansion Project
Forts Myers, FL
Main Condenser
Term Sheet

Mr. Lindsey Sampson
Lee County
10500 Buckingham Road
Fort Myers, FL 33905

Lindsey,

Attached is the "Term Sheet" for the Main Condenser. Covanta's 3/18/05 email to you agrees with BRE's recommendation to award to Graham Corporation. The email also forward to you marked up terms for the County's review, (copy attached to this letter). Once complete, I need to send to Graham for their concurrence.

The award price \$411,360, exclusive of bonds. This price is valid through April 15, 2005. Placing award on the next Board meeting (April 12, 2005) agenda and issuing a PO by 4/15/05 would maintain price and schedule.

Technical Specification SM-111 "Main Condenser" has been conformed and attached to the Term Sheet. The specification plus the final terms will become attached to the purchase order.

Again the open item is the final terms and conditions. Please advise if any other information is required by you or your Purchasing Department.

Regards,

Don D'Amico
Burns and Roe
201/986/4087
ddamico@roe.com

LEE COUNTY WTE EXPANSION FACILITY
TERM SHEET
Main Condenser
March 30, 2005

Specification Number: SM-111
Specification Title: Technical Specification for Main Condenser, Approved for Release
3 Conformed, dated 3/25/05

Seller: Graham Corporation
20 Florence Avenue
Batavia, NY 14020
Attention: Mr. Robert Hagen

Scope of Supply:

Seller shall furnish, for the Lee County Waste to Energy Expansion Project, all necessary design, engineering, materials, shop labor, supervision, painting, testing, insurance, transportation, and all else as may be required to manufacture and deliver, F.O.B. Delivered, Jobsite one (1) Main Condenser, all in strict accordance with the attached Technical Specification SM-111, Conformed Issue 3 dated March 25, 2005 and the Lee County "Services/Goods Purchase Conditions" as revised on _____ and attached. *The Purchase Conditions are with Lee County for review. Upon review completion, Seller requires acceptance.*

Purchase Price and Option(s):

Seller agrees that compensation for the Scope of Supply as required by this Purchase Order is the firm fixed price of \$411,360. F.O.B. delivered to jobsite, freight prepaid and allowed. Price includes start-up spares consisting of one set of condenser waterbox and manway gaskets.

It is further agreed that this firm fixed price may be adjusted only if Purchaser issues a written modification.

Equipment purchased under this Purchase Order is to be permanently installed at the Lee County Waste to Energy Facility in Fort Myers, Florida. As such, State, and Local Sales Taxes are not applicable. Lee County's Tax Exemption Number is 46-07-052104-53C.

Options

Lee County (Purchaser) may, at Purchaser's discretion and upon written notice to the Seller, unilaterally exercise the following option. This option is not included in the above Purchase Price and if exercised, option price will be added to the Purchase Price. Option price is firm and remain valid as stated below.

1. Seller to provide a 100% Performance and Payment Bond at the price adder of \$3,250. This option to be exercised within ten (10 working days) of the date of this Purchase Order.

2. Seller, at Purchaser's request shall provide the services of a competent technical service representative, as may be required to provide technical support services during installation, testing, and/or start-up and commissioning. (See Attachment #1...Graham's Field Services Charges).

Terms of Payment:

Payment of each invoice submitted by Seller will be made by Purchaser within Thirty (30) days of receipt of a properly documented and approved for payment invoice. Payment terms based upon achievement of the following milestones:

- 10% of Purchase Price upon submittal of approval drawing
- 40% of Purchase Price upon receipt of tube material by Graham
- 50% of Purchase Price upon Delivery at the jobsite
- Retention: NONE

Invoices:

The original invoice bearing this Purchase Order Number must be submitted to:

LEE COUNTY WASTE-TO-ENERGY FACILITY
FT. MYERS, FLORIDA
ATTN: Mr. Lindsey Sampson

Additionally, one (1) copy of each invoice bearing this Purchase Order Number must be submitted to:

BURNS AND ROE ENTERPRISES, INC.
800 KINDERKAMACK ROAD
ORADELL, NJ 07649
ATTN: MR. DON D'AMICO

Document Submittal Schedule:

Seller shall provide the submittal of all drawing for approval four to six weeks after receipt of purchase order.

Additionally, Seller shall electronically submit all vendor documents per Article 15 of the Services/Goods Purchase Conditions. Documents shall be submitted in TIF or PDF format. Electronic address will be provided.

Delivery Date: March 15, 2006

Delivery Address:

All equipment and materials shall be delivered to the following address:

LEE COUNTY WASTE-TO-ENERGY FACILITY EXPANSION PROJECT
10500 BUCKINGHAM ROAD
FORT MYERS, FLORIDA 33905
ATTN: General Construction Contractor
(name, contact, and telephone # TBD)

Seller shall provide General Contractor 48 hour notice prior to equipment arriving at jobsite.

Purchase Order Documents:

This Purchase Order consists of and is subject to the following documents and are listed in order of precedence:

- Purchase Order No. _____
- Lee County "Services/Goods Purchase Conditions", revised 3/25/05
- Technical Specification No. SM-111, "Main Condenser" Approved for Release No. 3, Conformed, dated 3/25/05

This Purchase Order contains the entire agreement between Purchaser and Seller, and supersedes any and all prior agreements, proposals, negotiations or representations pertaining to this Project.

Correspondence:

To Contractor: Mr. Robert Hagen - General Manager
Graham Corporation
20 Florence Avenue
Batavia, NY 14020
e-mail: bhagen@graham-mfg.com

To Purchaser: Mr. Lindsey Sampson
Lee County
10500 BUCKINGHAM ROAD
FORT MYERS, FLORIDA 33905

With copies to:

Covanta	Burns and Roe Enterprises
40 Lane Road	800 Kinderkamack Road
Fairfield, NJ 07007	Oradell, NJ 07649
ATTN: Mr. Peter Young	ATTN: Mr. Don D'Amico

Acknowledgement of Order:

Sign and return Acknowledgement Copy To:
Lee County
Fort Myers, Florida
ATTN:



March 7, 2005

**LEE COUNTY
WTE EXPANSION PROJECT
FORT MYERS, FLORIDA**

**RFP 2661-SM 111
Main Condenser**

BID EVALUATION

Burns and Roe Enterprises, acting on behalf of Lee County, issued Request for Proposal No. 2661-SM 111 "Main Condenser" on December 30, 2004 to the following pre-approved bidders: Alstom Power (Ecolaire); Graham Manufacturing; Holtec International; Joseph Oat Corporation; and Thermal Engineering International. On January 17, 2005 an email addendum was issued to all bidders clarifying the condenser arrangement as a non-divided water box. On January 27, 2005 Joseph Oat Corp declined to bid when its request for bid extension was denied.

On February 2, 2005 bids were received from:

- Graham Corporation proposal - number 2116NJ05
- Holtec International - proposal number H-4958.HX
- Thermal Engineering International (TEI) - proposal number C05008

-Alstom Power, Inc. - proposal number 3917-04-225HT
Alstom's bid was delivered and received to Covanta at the jobsite address. Alstom emailed to Burns and Roe the proposal form section of its bid on February 2, 2005. Jobsite sent (unopened) Alstom's sealed bid documents via overnight express to Burns and Roe.

On February 3, 2005 the above four (4) bids were opened and base bid prices were recorded on the Proposal Opening Form (Attachment A).

RECOMMENDATION:

The recommended award of the contract is to Graham Corporation. Recommended award price of \$411,380.00 includes 100% Performance and Payment Bonds, FOB Jobsite, Freight Prepaid and Allowed, and does not include Sales or Use Tax.

Recommended Award Price: \$411,380.00

Graham is holding recommended award price firm for order placement by April 15, 2005.

BID EVALUATION 2661-SM111 "Main Condenser" (cont'd...)

COMMERCIAL EVALUATION:

Three of the four bids received were deemed competitive.

Thermal Engineering International's (TEI) base price was approximately 70% higher than the other three bids. Review of TEI's bid indicated a split water box arrangement. TEI was contacted and the split box was confirmed. As a result TEI reduced its price to \$576,300; however, 44% higher. No further consideration given to Thermal Engineering International's bid.

Alstom's equalized bid was 8% higher.

Attachment B is the bid abstract which shows base bids and pricing to conform bids to the technical specifications. The two low bids, Holtec and Graham received further consideration.

Holtec's base bid is \$400,000 was adjusted upward by \$16,000 for required bonds and \$11,000 to include the Atmospheric Relief Valve, as per the specifications. Holtec's adjusted bid is \$427,000. Holtec was requested to extend bid validity to April 15, 2005 and submit final offer. Holtec extended bid validity to April 15, 2005; however, increased their price by \$24,000 to maintain firm pricing through April 15, 2005. Holtec's final price is \$451,000.

Graham Corporation base bid is \$424,930 and adjusted upward by \$16,784 to include required FOB freight costs and specified equipment (see bid abstract), which adjusted Graham's bid to \$441,714. Graham was requested to extend bid validity to April 15, 2005 and provide its best offer. Graham's bid exceptions to the Services/Goods Purchase Conditions document were negotiated by BRE and the final changes are shown on the Attachment C in bold print. These changes are deemed acceptable, however required final review and approval by Lee County. Graham offered on 3/2/05 a price reduction of \$30,334 with a final price of \$411,380.

Commercially, Graham has proposed the following terms:

Payment Terms: 10% - submittal of approval drawings
 40% - receipt of tube material by Graham
 50% - delivery at site

Deliverables:

Approval Drawings: 4-6 weeks after receipt of order (ARO)
Equipment Delivery: March 15, 2006

Graham is the recommended bidder for furnishing the Main Condenser based upon price and delivery schedule.

BID ABSTRACT			MAIN CONDENSER					
Burns and Roe Enterprises, Inc. W/O: 2661 Lee County Expansion Project RFP No SM-111 Main Condenser			BUDGET: \$316,409					
			1	2	3	4	5	
			ALSTOM	GRAHAM	HOLTEC	THERMAL ENG.		
ITEM	QTY	UNIT	DESCRIPTION					
1	1	ea	Main Surface Condenser	\$ 444,965.00	\$424,930.00	\$400,000.00	\$ 689,500.00	not evaluated
			Base Price					
			100% Performance/Payment Bond	not included	included	\$16,000.00	\$ 21,400.00	
			Base with Bonds	\$ 444,965.00	\$424,930.00	\$416,000.00	\$ 710,900.00	
			BID CONDITIONING:					
			FOB Jobsite Prepaid and Allowed		\$11,380.00	included		
			Slide Plates	\$ 920.00	\$ 1,590.00	included		
			Atmospheric Relief Valve	\$13,195.00	included	\$11,000.00		
			Commissioning spares	included	\$ 2,604.00	included		
			36" circulating water nozzle	N/A	\$ 1,210.00	N/A		
			Sacrificial anodes	\$1,615.00	included	included		
			Sub-Total	\$ 460,695.00	\$441,714.00	\$427,000.00		
			Best Offer and 4/15/05 Validity		-\$ 30,334.00	\$24,000.00		
			Recommended Award Price		\$411,380.00	\$451,000.00		
					base	+10%		
			Technical Field Service		\$1,100/day, plus expenses	\$1,200/day, plus expenses		
			Drawings Submitted		4-6wks ARO	4-12wks ARO		
			Delivery		3/15/2006	3/15/06		
			PAYMENT TERMS	Milestone Net 30	Milestone Net 30	Milestone Net 30	Milestone Net 30	
			DESTINATION	Fort Myers, Fl.	Fort Myers, Fl.	Fort Myers, Fl.	Fort Myers, Fl.	
AWARD RECOMMENDATION: Graham Corp.						PREPARED BY:		DATE:
REASON FOR RECOMMENDATION:						REVIEWED BY:		DATE:

**LEE COUNTY, FLORIDA
PROPOSAL OPENING FORM**

RFP NUMBER 2661-SM111

DATE Feb 3, 2005

TITLE Main Condenser

TIME 1:00 pm

	Bidder	Proposal Date	Date Received	Unevaluated Price	Remarks
1	Holtec	2.1.05	2.2.05	\$ 400,000.-	
2	Graham	1.31.05	2.2.05	424,930.-	
3	TEI	2.1.05	2.2.05	689,500.-	
4	Alstom	2.1.05	2.2.05*	446,965.-	*Alstom sent bid to jobsite address. On 2/2/05
5					Alstom Emailed BRE
6					Proposal Form Section.
7					
8					

OPENED BY: D. J. Amis 2/3/05
 WITNESSES: Robert Saperac 2/3/05

