

Lee County Board Of County Commissioners
Agenda Item Summary

Blue Sheet No. 2006 10-21

1. ACTION REQUESTED/PURPOSE:

Approve an addition of \$279,340.00 to Purchase Order No. 77421 to Delta Ducan Conveying Technology, for the purpose of adding a complete pneumatic conveying system including day tanks and controls for the ash conditioning equipment (WTE expansion project), as specified by the County's design engineer. Total price will now amount to \$480,215.00.

2. WHAT ACTION ACCOMPLISHES: Provides change to PO 77421 reflecting the purchase of additional lime handling and control equipment.

3. MANAGEMENT RECOMMENDATION: Staff Recommends the action requested.

4. Departmental Category: 8

C8C

5. Meeting Date: August 15, 2006

6. Agenda:

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

7. Requirement/Purpose: (specify)

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

8. Request Initiated:

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

Lindsey Sampson

9. Background:

On June 27, 2006, the BOCC approved issuance of a purchase order to Delta Ducan, the low priced proposer, for a dolomitic lime storage silo. Action at that time was necessary in order to assure that delivery of the silo met the expansion project's construction schedule. The design of the lime conveying and control equipment was still being developed and finalized.

Now that this design is complete, the lime silo vendor has provided pricing information for the equipment that will meet the requirements for conveying the lime to the three individual combustion trains along with control of such delivery.

Funds are available in account string: 200923 40131.506540

Attachments: Copy of Original Delta Ducan Blue Sheet No. 20060782
Burns & Roe Technical Bid Evaluation w/ Pricing Summary dated 7/21/06
Covanta Recommendation dated 7/26/06

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>Jamie 8.1.06</i>	N.A. per J.S.	N.A.		<i>S. [unclear] 8/1/06</i>	<i>[unclear] 8/2/06</i>	<i>[unclear] 8/2/06</i>	<i>[unclear] 8/2/06</i>	<i>[unclear] 8/2/06</i>	<i>Jamie 8.1.06</i>

11. Commission Action:

- Approved
- Deferred
- Denied
- Other

RECEIVED BY COUNTY ADMIN:
8-2-06 11:20 *MP.*
COUNTY ADMIN FORWARDED TO:
SI [unclear]
10-30-2006

Rec. by CoAtty
Date: 8/1/06
Time: 2:05pm
Forwarded To: CNTY ATTY
8/2/06 8:50

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

Blue Sheet No. 20060782

1. ACTION REQUESTED/PURPOSE: Approve award of formal quotation (RFP B&R 2661-SM162) and issuance of a purchase order to Delta Ducan, Inc., the low price proposer, meeting all specification requirements for dolomitic lime storage equipment in an amount of \$191,775.00, including \$9,100.00 for optional lighting and electrical outlets to be exercised if necessary.

2. WHAT ACTION ACCOMPLISHES: Provides the necessary dolomitic lime storage equipment for the Waste To Energy Expansion Project.

3. MANAGEMENT RECOMMENDATION: Staff recommends approval of the requested motion.

4. Departmental Category: 8

5. Meeting Date: June 27, 2005

6. Agenda:
 Consent
 Administrative
 Appeals
 Public
 Walk-On

7. Requirement/Purpose: (specify)
 Statute
 Ordinance
 Admin. Code AC 4-1
 Other

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

9. Background:

*
 Please note that additional lime handling and delivery equipment will likely be purchased from this company in the near future.

Sealed quotes were received by the County's design engineer, Burns & Roe, on behalf of the Solid Waste Division on July 28, 5005. On that date three responses were received. After review, recommendation was made to award to the low-priced proposer meeting all specification requirements.

Funds are available in account string: 200923 40102.506540

Attachments: Burns & Roe revised bid evaluation dated 6/5/06
 Bid Abstract and Pricing summary Sheets
 Covanta recommendation letter dated 6/5/06.

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.	
	NA per JS.	NA							

11. Commission Action:

- Approved
- Deferred
- Denied
- Other

TECHNICAL BID EVALUATION
REQUEST FOR PROPOSAL No. 2661-SM-162(Rev. 3)
DOLOMITIC LIME FEED SYSTEM (PNEUMATIC CONVEYING PORTION)

SUMMARY

The original specification for the complete Dolomitic Lime Feed System has been broken into two separate parts, the silo portion and the pneumatic conveying and feed portion. To date, this work includes an already completed bidding process, bid evaluation and conformed revision of the Specification (Rev. 4) for purchase of the silo portion. It also includes preparation of the pneumatic conveying and feed portion of the Specification (Rev. 3) for bidding.

Request for Proposal for the pneumatic portion of the system was sent to three bidders: Delta/Ducon, Chemco Systems, and Shick USA. Chemco did not respond to the request for proposal and Shick has not submitted a bid. The proposal from Delta/Ducon was received and evaluated.

The evaluation indicated that the proposal by Delta/Ducon was substantially complete. Based on the evaluation of the original proposal, and Covanta's review of same, additional questions and comments were generated. These questions and comments were submitted to Delta/Ducon for their review and response.

The questions and comments included a required change to the day bins (filter/receivers) and feed arrangement to the fly ash screw conveyors to allow for height limitations below the boiler duct. The original design concept was to feed dolomitic lime directly to each fly ash screw conveyor from the rotary feeder outlet of the day bins located directly above each conveyor. Other issues also included the day bin (filter/receiver) hopper and clean air plenum materials, vent filter air-to-cloth ratios, deletions of E-stop, alarm horn and pressure transmitter, addition of terminal boxes, method of grab sample and other minor comments/clarifications.

Delta/Ducon has clarified questions raised regarding their original submittal and they have submitted adder and deduct pricing as required to bring their offering into technical compliance.

TECHNICAL DISCUSSION

Delta/Ducon has provided, in their proposal, a bill of materials of their offering of the dolomitic lime conveying and feed system and associated equipment including an arrangement of the day bins, a P&ID of the system and filled in equipment and motor data sheets. Since the only bid received was from Delta/Ducon, Attachment 3, "Technical Data Sheets", represents their submitted data. Equipment manufacturers listed in the data sheets are the same as for the silo portion of the system already being supplied by Delta/Ducon including Kinergy bin activators, Ultra bin vent filter, Delta/Ducon knife gate and rotary feeder, etc.

Delta/Ducon has included a number of "Clarifications and Exceptions" in their proposal which are included in Attachment 2 – Summary of Technical Exceptions and Clarifications", along with

the BREI Response/Resolution. In general, these are acceptable. Delta/Ducon's exception to the flexible boot for grab samples has been revised and the grab sample location accounted for with the revised feed arrangement as described herein.

Initial review of their proposal generated a number of questions and comments, which were submitted to Delta/Ducon for their response. Many of these questions were minor in nature including materials of construction for the filter/receiver hoppers and clean air plenums and additions/deletions of scope of supply.

The initial offering for the day bins was a combined filter/receiver unit instead of separate bins with attached vent filters. Feed from these units to their respective fly ash screw conveyors are as specified. Design of the units, however, was narrower and taller than the expected separate bins and filters. Review of the arrangement drawing revealed a major interference with the boiler duct above the screw conveyor due to the overall height. This information was included with the questions and comments to Delta/Ducon. Delta/Ducon has explained the reasoning behind the height and extra storage capacity in these units and has proposed to offset each bin to the side of its corresponding fly ash screw conveyor and provide feed through a screw conveyor beneath each bin. This is a technically acceptable solution to the feed arrangement. They have also included manual valves in these screw conveyors to satisfy the grab sample requirement. With this arrangement in the feed system, the expansion joints originally to be located at the outlet of the day bins will need to be shifted to the interface with the fly ash screw conveyors as this becomes the new "hot" interface.

Delta/Ducon has clarified questions raised and they have submitted adder and deduct pricing as required. Applicable adders and deducts are included in the pricing evaluation in Attachment 4. The only open items at this time are use of a common blower inlet filter assembly in lieu of individual filters, technical information on the included refrigerant air dryer, and a revision to the proposal P&ID. Delta/Ducon has committed to providing this information.

The offering by Delta/Ducon is technically acceptable based on their original quotation and the changes/revisions based on the questions posed and their replies.

PERFORMANCE EVALUATION

No review or penalty has been assessed due to only the single bid presented by Delta/Ducon. In addition, the motors included in their proposal are very small at 1 HP or less except for the blowers at 25 HP.

PRICING EVALUATION

The pricing evaluation of the Delta/Ducon offering is included in Attachment 4. This table includes a complete listing and breakdown of the base price, combination discount, and all required deducts and options presented in their original proposal and the replies to the comments and questions to bring their offering into complete technical compliance with project requirements.

Delta/Ducon's base price was \$291,980.00. Their proposal also included a silo and conveying system combination discount and deducts for materials on the filter/receiver hopper section and clean air plenum. These deducts decrease their original offering to \$261,455.00.

Applicable adders and deducts to be applied to their base price are included in the table and are as follows. Their adder to provide feed screws out of the day bins is \$4,750.00 each for carbon steel conveyors. Deletion of the pressure transmitter, E-stop and alarm horn are deducts of \$475.00 and \$315.00. Addition of two terminal boxes at each day bin is a total of \$4,425.00 (Note that this final number is verbal at the time of this writing and needs to be confirmed. There might also be a cost adjustment forthcoming with regard to the blower inlet filter assemblies).

These final cost adjustments bring the total price for the system to \$279,340.00

Freight is included in the Delta/Ducon pricing and all equipment is quoted FOB jobsite. Delta/Ducon has not, however, provided any pricing at this time for field technical supervision and spare parts for start up and commissioning.

One week of installation supervision for the silo and feeder was previously included in the earlier contract. One week of startup of the overall system and training should be included for this portion of the system.

RECOMMENDATION

The final responses to the questions and comments submitted by Delta/Ducon are technically acceptable. Delta/Ducon has included changes with price adders and deducts that result in an increase to their overall price. As Delta/Ducon has the experience and technical capabilities to design and provide a good working system, and they have already been contracted to provide the silo portion of the system, it is recommended that the pneumatic conveying and feed portion of dolomitic lime feed system be awarded to Delta/Ducon.

TECHNICAL BID EVALUATION
RFP No. 2661-SM-162 (Rev. 3) DOLOMITIC LIME FEED SYSTEM
ATTACHMENT 1 – APPLICABLE DOCUMENTS

Lee County RFP No. 2661-SM-162, Rev. 3

Burns and Roe Documents:

Email from P. Isolde to D. D'Amico, dated 6/29/06: Questions and comments to the Delta/Ducon proposal

Email from D. D'Amico to Delta/Ducon, dated 7/5/06: Questions and comments to Delta/Ducon

Email from D. D'Amico to S. Stuhrke dated 7/18/06: Delta Ducon reply to questions

Emails (two) from S. Stuhrke to P. Isolde dated 7/18/06: Forwarding of Covanta review of Delta/Ducon's responses to questions

Email from P. Isolde to D. D'Amico, dated 7/19/06: Additional comment to number of junction boxes

Covanta Documents:

Email from N. Gorsky to P. Isolde, dated 6/28/06: Questions and comments to Delta/Ducon Proposal, Rev. B

Email from N. Gorsky to S. Stuhrke, dated 7/18/06: Final Covanta review of Delta/Ducon's responses to questions (See above)

Email from A. Sagar to S. Stuhrke, dated 7/18/06: Additional review of Delta/Ducon's responses to questions (See above)

Delta/Ducon Documents:

Proposal No. 06-03-031S, Rev. B, dated June 21, 2006

Email from Delta/Ducon to D'Amico, dated 7/18/06: Replies to questions including revised data sheets (See above)

COVANTA LEE COUNTY
 LEE COUNTY RESOURCE RECOVERY FACILITY
 WASTE TO ENERGY EXPANSION PROJECT

Date: July 21, 2006
 By: P. Isolde
 Revision 1

TECHNICAL BID EVALUATION
REQUEST FOR PROPOSAL No. 2661-SM-162 (Rev. 3)
DOLOMITIC LIME FEED SYSTEM (PNEUMATIC CONVEYING PORTION)
ATTACHMENT 4 – PRICING SUMMARY

	Delta/Ducon
Dolomitic Lime Conveying System	\$291,980.00
Silo and Pneumatic Conveying combination discount	(\$8,700.00)
Provide carbon steel Filter/Receiver hopper section in lieu of s.s.	(\$14,025.00)
Provide carbon steel Filter/Receiver clean air plenum in lieu of s.s.	(\$7,800.00)
Freight (FOB Jobsite)	Incl.
Field Technical Supervision	Later
Spare Parts required for Start Up and Commissioning	Later
ORIGINAL BASE PROPOSAL TOTAL	\$261,455.00
<u>The following are applicable price adders/deducts based on responses by Delta/Ducon to final questions</u>	
Single common blower inlet filter assembly in lieu of individual filters	<i>(LATER)</i>
Delete blower pressure transmitters and supply a low pressure switch for blower packages.	(\$475.00)
Add two (2) terminal boxes at each day bin for 460V power and 120V control. <i>(Note: This price is verbal and has to be confirmed in writing)</i>	\$4,425.00
Delete E-stop and local alarm horn	(\$315.00)

Addition of 7' screw conveyors beneath each day bin to offset feed arrangement due to height limitations (C.S. construction - \$4,750.00 ea.)	\$14,250.00
TOTAL FIRM FIXED PRICE	\$279,340.00

Sampson, Lindsey J.

From: Young, Peter [pyoung@CovantaEnergy.com]
Sent: Wednesday, July 26, 2006 11:41 AM
To: Sampson, Lindsey J.; D'Amico, Don
Cc: Glenn Fontana; dcastro@hdrinc.com; Anacker, Dennis; Stuhrke, Steve
Subject: Selection & Recommendation - Dolomitic Lime Feed Pneumatic Conveying

Attachments: Bid Evaluation Dolomitic Lime Handling System Pneumatics_1.pdf



Bid Evaluation
Dolomitic Lime ...

Gentlemen,

Based on B&R's attached Dolomitic Lime Handling System Pneumatics Scope Bid Evaluation, received July 21, 2006, Covanta concurs with B&R's selection and recommendation to purchase the subject package from Delta Ducon per the final scope indicated in B&R's evaluation. As discussed in detail in prior emails, the Project switched to a pneumatic conveying system in place of the original concept of using screw conveyors. Pneumatics were required to address routing limitations necessitated by the final location of the silo.

As this scope package represents the balance of the dolomitic lime system previously award to Delta Ducon, it is recommended that this award be a change order to the existing Delta Ducon purchase order awarded for the dolomitic lime system silo package.

The recommended package includes the addition of three 7' long screw conveyors to account for the need to offset the location of the receiving day bins to the side of the conveyors. This is needed to avoid interferences of the top of the bin filters with the overhead flue gas ducts connecting the scrubber outlets and baghouse inlets. B&R will have to add the necessary motor starters to their MCC's.

Covanta pursued the feasibility of reducing the height of the day bins to a shorter profile to fit under the duct work to avoid the addition of the screw conveyors discussed in the above paragraph. However, we concluded with B&R that this is not feasible. The height of the day bin hopper outlets is set by the screw conveyor height plus the expansion joints, feeders, and bin vibrators to a height of 10' above grade. Roughly 7'-8" remains to the bottom of the duct lagging into which the hopper, bin storage volume, fill pipe with necessary freeboard, and vent filter needs to fit. Delta Ducon will not be able to get this equipment which currently measures about 15'-2" into the available 7'-8" by making the bin larger in diameter or reducing the storage volume. Even if it would fit, constructability would be problematic trying to install the day bins between the screw conveyors below and the ducts above which will already be in place on Unit 3 as well as the existing Units 1 and 2.

Per the County's prior request, Covanta also considered the possibility of eliminating the bin vent filters by venting the day bins directly to the bag house inlet duct. We have concluded that this is not recommended because an uncontrolled quantity of material fines would always bypass the bin storage and feed system during each fill cycle, making a controlled and quantifiable feed rate difficult to achieve. The more important Covanta concern however would be the introduction of substantial amounts cold air into the baghouse inlet. Covanta has experienced considerable baghouse corrosion on operating facilities with much lower air in-leakage rates. Therefore venting the day bins to the baghouse is not recommended.

Covanta recommends that the County and B&R proceed with the purchase of the pneumatic conveying scope per B&R's bid evaluation and as noted below.

The following comments are for your further consideration and guidance:

1. Commercial Terms & Conditions - This being a change order to an existing PO, the T&C's have already been established.
2. Price: Covanta concurs with B&R's recommended adjustments and Recommended Award Price of \$279,340 except that additional pricing adjustments need to be finalized as noted in B&R's bid evaluation and also noted below.
3. Project Estimate: The entire dolomitic lime system equipment was originally estimated in April 2004 dollars at \$347,462 based on using screw conveyors. The silo package PO was for \$191,675. With the pneumatic system added the total system PO comes to \$471,015.
4. Bond: Excluded. This is an equipment delivery only order, therefore County does not require a bond and is not included in the recommended award.
5. Payment Terms: B&R to confirm payment terms. The current PO has the following terms: 10% with PO; 20% submittal of arrangement drawings (P&ID's, Silo arrangement); 70% delivery of equipment.
6. Schedule: B&R to confirm the delivery date.

B&R should proceed immediately with the following:

- 1) Establish pricing for: the deduct to reduce the number of blower inlet filters, unit price adder for technical field supervision (5 days already included in silo award), and start-up/commissioning spare parts. Such pricing should be included in the change order and B&R's term sheet.
- 2) This equipment pricing does not include local task lighting. Hence, B&R needs to include such lighting in their area lighting design;
- 3) The necessary MCC's need to be established and added to the Square D purchase order;
- 4) Development and issuance of an RFP package for the installation and BOP work required for the dolomitic lime system equipment;
- 5) Establish a delivery date for this equipment;
- 6) Issue the County a purchase order term sheet that reflects the final agreements and understandings to be incorporated into the change order; and
- 7) issue the conformed specification, with all data sheet data filled-in, for inclusion in the purchase order.

Covanta recommends that the County have this award approved immediately but no later than the BOCC's meeting on August 15, 2006.

Peter

-----Original Message-----

From: Stephen Stuhrke [mailto:ssuhrke@roe.com]
Sent: Friday, July 21, 2006 10:25 AM
To: Young, Peter
Cc: Anacker, Dennis; D'Amico, Don; Glenn Fontana; Peter Isolde; Serrette, Pat
Subject: Lee County WTE Plant Unit 3 Expansion - Bid Evaluation Dolomitic Lime Feed Pneumatic Conveying

Pete,
On behalf of Glenn Fontana, please find the attached bid evaluation (technical only) for the pneumatic conveying portion of the Dolomitic Lime Feed System. It is provided in pdf format and will be posted on the website shortly.

If you have any questions, please Glenn or myself. Thanks.
Steve Stuhrke
(201) 986-4096
sstuhrke@roe.com