

# FOR BOARD ACTION

Agenda Item # 9

Meeting Date:

11/24/2009

**SUBJECT:**

SLP 4 Boiler Inspection Door Installation

**PREPARED BY:**

Tom Williamson, Senior Mechanical Engineer  
Bob Ledebuhr, Materials Manager, C.P.M.

ITEM DESCRIPTION:

On November 10, 2009, three quotes were received for SLP #4 Boiler Inspection Door Installation. (See attached quote tab sheet)

The Emission Reduction Project included installation of two systems to reduce NOx emissions. The ROFA® (rotating opposed fire air) and Rotamix® systems have 28 air/urea injection ports into the boiler. The NOx reduction process causes significant changes in the combustion of coal. Installation of additional boiler inspection doors will improve monitoring the combustion inside the boiler.

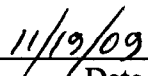
FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

This work is a part of the SLP 4 Emission Reduction Project. The project contingency fund will be used to pay for the work. The work is being completed at this time because of the importance of observing the fuel combustion. The need for observation was underestimated until after the startup.

UTILITY BOARD ACTION REQUESTED:

Staff recommends the Utility Board accept the low quote and approve a purchase order agreement with AZCO Inc. in the amount of \$71,500.00.

  
\_\_\_\_\_  
General Manager

  
\_\_\_\_\_  
Date

ROCHESTER PUBLIC UTILITIES

Request for Quote – Tabulation  
Boiler Inspection Door Installation – 2009  
Due Date: November 10, 2009

	<b>Moorhead Machinery &amp; Boller Co.</b>	<b>AZCO Inc.</b>	<b>The Jamar Company</b>
<b>Base Bid</b>	\$88,400	\$71,500	\$94,800
<b>Alternate "A"</b>	\$79,700	\$71,500	\$101,500
<b>Alternate "B"</b>	\$79,700	N/A	\$80,900
<b>Completion Date</b>	Nov 24 – Dec 4, 2009	Nov 30 – Dec 4, 2009	Nov 23 – Dec 4, 2009
<b>Dates – Alternate "A"</b>	April 17 – May 1, 2010	April 17 – May 1, 2010	April 17 – May 1, 2010
<b>Dates – Alternate "B"</b>	Nov 30 – Dec 11, 2009		June 1 – June 11, 2010

[REDACTED]

November 10, 2009

Materials Manager  
Rochester Public Utilities  
4000 East River Road NE  
Rochester, MN 55906-2813

Subject: Boiler Inspection Door  
RPU – Silver Lake Plant  
**AZCO INC. Proposal No. 090575**

Gentlemen:

AZCO INC. is pleased to provide Rochester Public Utilities our proposal to furnish supervision, labor and equipment to install a waterwall inspection doors Unit #4.

Our firm price to perform this work is Seventy-One Thousand Five Hundred Dollars (\$71,500.00).

We view this project as an opportunity for your firm to experience first-hand the quality service and expertise which has become our trademark.

We appreciate the opportunity to provide this quotation and look forward to establishing a strong constructive relationship. Please contact Mr. Tim Larsen with any questions you may have or for any other construction services needs.

Very truly yours,

AZCO INC.



Tim Larsen  
Estimating Manager

:cab

c: M. Loper  
File

***TERMS AND CONDITIONS OF PROPOSAL***

**Technical Clarifications**

1. Our proposal is based upon a 6 man crew working one shift of ten hours per day for five weekdays.
2. No scaffold has been included to access work areas.
3. Final disposal of all scrap will be handled in a dumpster provided by Rochester Public Utilities.
4. Power water and air as needed will be provided by Rochester Public Utilities.

**Commercial Terms Clarifications**

1. AZCO INC.'s proposal is contingent upon the review and express written acceptance of any proposed contract document, including any general or special terms or conditions, and any document(s), terms or conditions which are incorporated by reference in any proposed contract documents.
2. Terms of payment are net thirty (30) calendar days after receipt of invoice. Materials received on-site or in-shop, ready for installation or fabrication, shall be invoiced and supported by Vendor's packing lists. Late payments, as well as payments withheld without justification, will be subject to interest at a rate of one and one-half percent (1-1/2%) per month compounded beginning with the thirty-first calendar day. Interest payments shall be included with the invoice payment. Any invoices found to have questionable charges shall be paid less questionable charges. A marked copy of the invoice explaining the questionable charges shall accompany the payment.
3. When responding to this proposal, please refer to our Proposal Number 090575. This number should be included in all purchase orders resulting from this proposal.

ROCHESTER PUBLIC UTILITIES  
ROCHESTER, MN

REQUEST FOR PROPOSAL  
QUOTATION DUE: NOVEMBER 10, 2009

Date November 10, 2009

REFERENCE: BOILER INSPECTION DOOR INSTALLATION - 2009

The undersigned hereby proposes to furnish, deliver, unload, and install the following material f.o.b., at Silver Lake Plant, Rochester, Minnesota in accordance with the attached specifications and other Proposal documents.

Completion Date – Base Bid <u>A.M.</u>	December 4, 2009	Anticipated Start Date: <u>November 30, 2009 @ 7:00</u>
Total Bid Price (Numbers)	<u>\$71,500.00</u>	
Total Bid Price (Written)	<u>Seventy-One Thousand Five Hundred Dollars</u>	
Completion Date – Alternate A	May 1, 2010	Start Date: <u>April 17, 2010</u>
Total Bid Price (Numbers)	<u>\$71,500.00</u>	
Total Bid Price (Written)	<u>Seventy-One Thousand Five Hundred Dollars</u>	
Completion Date – Alternate B		Start Date: <u>---</u>
Total Bid Price (Numbers)	<u>\$ ---</u>	
Total Bid Price (Written)	<u>---</u>	

Exceptions, comments or additional information (use additional sheets if necessary)  
See AZCO INC. Proposal Letter 090575

Submit Certificate of Insurance with the bid

The undersigned warrants that this Proposal is submitted in good faith and without collusion or connection with any other person or persons bidding for the same work. In the event that this Proposal is accepted, the undersigned hereby agrees to complete the work to allow operation of the equipment within the time specified in the proposal after receipt of a signed Purchase Order.

Return to:

Rochester Public Utilities  
4000 East River Road NE  
Rochester, MN 55906-2813  
ATTN: Materials Manager  
E-mail: BLedebuhr@rpu.org  
Phone: 507/280-1674  
Fax: 507/280-1643

With copy to:

Tom Williamson, P.E.  
E-mail: TWilliamson@rpu.org  
Phone: 507/280-1655  
Fax: 507/280-1651

BIDDER: AZCO INC.

ADDRESS: 806 Valley Road  
Menasha, WI 54952

PHONE NO.: 920-734-5791

FAX NO.: (920) 734-7432

BY: Tim Larsen

TITLE: Estimating Manager

E-MAIL: tlarsen@azco-inc.com

BID INFORMATION & QUALIFICATIONS

- 1. Name of Company AZCO INC.
- 2. Number of years in business 60
- 3. Number of similar projects completed within the last 2 years.  
List names & location of projects See Proposal Attachments
- 4. Indicate insurance limits now held by your company in the space provided.
  - Statutory Worker's Compensation (Minn.) \$Statutory
  - Comprehensive General Liability \$1,000,000 per occurrence/\$2,000,000
  - aggregate \_\_\_\_\_
  - Bodily Injury Per Person \$1,000,000 per occurrence
  - Bodily Injury Per Occurrence \$2,000,000 aggregate
  - Property Damage \$1,000,000 per occurrence/\$2,000,000
  - aggregate \_\_\_\_\_
  - Umbrella Form \$25,000,000
- Does the existing insurance policy held by your company meet all of the insurance requirements in the specifications or agreement? Yes
- Is the Certificate of Insurance included with your bid? (YES/NO) Yes
- 5. Insulation subcontractor Gagnon
- 6. Other contractors NDE & A1

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
01/29/09

**PRODUCER**  
WAUSAU SIGNATURE AGENCY  
PO BOX 25  
APPLETON, WI 54912  
920 734-1468

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**INSURED**  
AZCO INC  
PO BOX 567  
APPLETON, WI 54912-0567

**INSURERS AFFORDING COVERAGE**

INSURER A: Wausau Business Insurance Company	NAIC # 26069
INSURER B: NATIONAL UNION FIRE INS CO - PITTSBU	
INSURER C: Wausau Underwriters Insurance Co.	26042
INSURER D:	
INSURER E:	

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CLASSIFICATION	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
					DESCRIPTION	AMOUNT
A	GENERAL LIABILITY	YYKY91444577039	02/01/09	02/01/10	EACH OCCURRENCE	\$1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$300,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$10,000
	GEN'L AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY	\$1,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC				GENERAL AGGREGATE	\$2,000,000
					PRODUCTS - COM/OP AGG	\$2,000,000
C	AUTOMOBILE LIABILITY	ASJY91444577029	02/01/09	02/01/10	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
	<input checked="" type="checkbox"/> HIRED AUTOS				AUTO ONLY - EA ACCIDENT	\$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS				OTHER THAN AUTO ONLY: EA ACC	\$
					AGG	\$
B	EXCESS/UMBRELLA LIABILITY	023649312	02/01/09	02/01/10	EACH OCCURRENCE	\$5,000,000
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$5,000,000
	DEDUCTIBLE					\$
	<input checked="" type="checkbox"/> RETENTION \$ 10000					\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WCJY91444577019	02/01/09	02/01/10	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$1,000,000
	<small>If yes, describe under SPECIAL PROVISIONS below</small>				E.L. DISEASE - EA EMPLOYEE	\$1,000,000
					E.L. DISEASE - POLICY LIMIT	\$1,000,000
A	OTHER INLAND MARINE RENTED/LEASED EQUIPMENT	YYKY91444577039	02/01/09	02/01/10		\$2,750,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

**CERTIFICATE HOLDER**

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



## **IMPORTANT**

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.





## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota to approve a purchase order agreement with AZCO Inc. for

### SLP 4 Boiler Inspection Door Installation

The amount of the purchase order agreement to be SEVENTY ONE THOUSAND FIVE HUNDRED AND 00/100 DOLLARS (\$71,500.00) and AZCO Inc. having the lowest responsible quote.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 24th day of November, 2009.

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President

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Secretary