TO THE HONORABLE CHAIRMAN AND TRUSTEES

REPORT TO: STILLWATER UTILITIES AUTHORITY

No. SUA-16-01

ISSUED BY THE GENERAL MANAGER - STILLWATER, OKLAHOMA

Date of Meeting: January 4, 2016

Subject: Bid Recommendation: Industrial Substation Packager - SUA Bid #07-15/16

Background: On December 15, 2014, the Trustees authorized staff to execute an amendment to the professional services agreement with Burns & McDonnell (BMcD) for the electric Power Generation Station (PGS) project to perform engineering design services for the expansion of the transmission side of Industrial Substation. Since then, staff has been working with BMcD to engineer and design the expansion and is working to acquire the equipment associated with the project. The substation packager consists of medium-sized equipment within the substation such as potential transformers, surge arrestors, and post insulators for the 69,000 volt bus work.

Discussion: Specifications and bid documents were prepared by the project engineer Burns and McDonnell (BMcD) and staff. Bid solicitations were advertised in accordance with the City's purchasing manual and bid specifications were sent to perspective bidders on October 28, 2015. On November 16, 2015, two bids were received and opened. The bids were then evaluated by BMcD and staff.

Vendor	Bid Price ($)
KC Utility Packaging	70,576.32
Peak Substation Services, LLC	75,974.00
Hamby Young	83,443.62
Associated Substation Engineering	84,000.00

KC Utility Packaging was the lowest bidder but due to errors in the bid, it was withdrawn. Therefore, Peak Substation Services, LLC submitted the lowest qualified bid for the Industrial Substation Packager as specified in the bid documents.

Budget Impact: This item requires no new appropriation or budget amendment and will not affect year-end projected balances. Funding is available in the Industrial Substation expansion project fund established in the Rate Stabilization Fund (RSF).

Alternatives:

1. Award the bid for the Industrial Substation Packager to the lowest responsible bidder, Peak Substation Services, LLC.
2. Reject all bids and direct staff to repeat the bidding process.

Recommendation: It is recommended that the Trustees award the bid for the Industrial Substation Packager to the lowest responsible bidder, Peak Substation Services, LLC, in the amount of $75,974, authorize expenditures from the RSF Industrial substation expansion project fund up to $79,773 (includes a 5% contingency), and authorize staff to enter into a purchase agreement subject to satisfactory negotiation of the terms and conditions of the purchase.

Prepared by:	Loren Smith, Electric G & T Manager
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Reviewed by Administrative Director:	Dan Blankenship, SUA Director
Date of Preparation:	December 15, 2015

Submitted by:

Norman McNickle
Interim General Manager