



Meeting Date: December 17, 2018

Report No. SUA-18-41

Agenda Item No. 2b

Purpose: Bid Recommendation for Boomer Lake Substation Transformer Replacement Project - SUA Bid #03-18/19 construction contractor services.

Budget Impact: Funding for this contract is available in the electric Rate Stabilization Fund (RSF).

Prior Council Action or Part of an Approved Project: Yes

Related Items: [Substation Transformer Replacement Project](#)
[Substation Transformer Bid Recommendation](#)

Alternatives: Reject all bids and direct staff to repeat the bidding process. This would not likely result in a different outcome and would cause project delays and project cost increases.

Recommendation: Staff recommends that Trustees:

- award the bid and authorize staff to execute the contract for SUA Bid #03-18/19 to the lowest responsible bidder, Sayers Construction, LLC, in the amount of \$537,089.74 and authorize expenditures from the electric RSF up to \$590,798.00 (includes a 10% contingency), and
- authorize staff to procure services for construction inspection and testing services in an amount of \$60,000 and authorize expenditure for these services from the electric RSF up to \$66,000 (includes a 10% contingency).

Prepared by: Loren Smith, Electric Utility Director

Submitted by: Norman McNickle, City Manager

Background Information: On March 12, 2018, the Trustees approved the substation transformer replacement project and authorized staff to enter into a professional services agreement with Burns & McDonnell for the engineering design and procurement support required for project. Since then staff has been working to acquire equipment and construction contractor services associated with the project.

Discussion: SUA Bid #03-18/19 construction contractor services: Specifications and bid documents for the construction contractor services were prepared by the project engineer Burns and McDonnell (BMcD). Bid solicitations were advertised in accordance with the City's purchasing manual and bid

specifications were sent to perspective bidders on Monday November 5, 2018. On November 28, 2018, three bids were received and opened. The bids were then evaluated by BMcD and staff.

The following table summarizes the cost related information provided in the bids.

Summary of Evaluation

| Construction Contractor | <u>Base Price (\$)</u> | <u>Optional Pricing (\$)</u> | <u>Total Cost (\$)</u> |
|-------------------------------|------------------------|------------------------------|------------------------|
| Sayer Construction, LLC | 503,741.83 | 33,347.91 | 537,089.74 |
| B & M Energy & Infrastructure | 621,417.00 | T & M | 621,417.00 |
| Koontz Electric Company, Inc. | 769,020.00 | 11,425.00 | 780,445.00 |

Sayer Construction met all the bid specification making them the lowest responsible bidder.

Construction Inspection and Testing Services: These services will be necessary to ensure that the construction contractor is following all industry standards and is constructing per the engineering designs.