



Legislation Details (With Text)

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On agenda: 5/19/2020 **Final action:** 5/19/2020
Title: Approve the award of a Five-Year Extension to Contract 05-030, Alliance Agreement, to Utility Concrete Products for an amount not to exceed \$330,000

Sponsors:

Indexes:

Code sections:

Attachments: 1. Prior Awards

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------|----------|--------|
| 5/19/2020 | 1 | City Council | approved | Pass |

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of a Five-Year Extension to Contract 05-030, Alliance Agreement, to Utility Concrete Products for an amount not to exceed \$330,000

DEPARTMENT: Electric Utility

SUBMITTED BY: Lucille Podlesny, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

In January 2005, the City Council awarded Contract 05-030 to Utility Concrete Products (UCP) for a five-year term to provide the Electric Utility (Utility) with precast concrete manholes, switch vaults and transformer pad/vaults through a mutually accepted alliance agreement. The manholes, procured from UCP, are used by the Utility as underground conduit junction points, allowing cable to be spliced in the manhole and racked on the side walls. The vaults are used to support distribution equipment such as transformers and switchgear which allows underground electrical cables to be brought into the equipment in a safe and efficient manner.

In addition to the Utility's standard precast concrete items, the agreement provides for engineering and consulting services. These services are used by the Utility to design non-standard precast concrete products that ensure reliable, cost effective solutions for the Utility and its customers.

The contract was renewed for additional five-year terms in 2010 and 2015. The 2015 renewal provided for a five-year renewal from January 18, 2015 to January 17, 2020, with two one-year extensions.

DISCUSSION:

Throughout the life of the agreement, UCP has provided indirect cost savings by delivering manholes to construction sites where underground work is being performed. UCP sets the precast item in place and coordinates this installation with the prime contractor at no additional cost to the Utility. This factory to jobsite delivery method eliminates temporary storage and relocation expenses which reduces overall cost to the Utility; competitors were not able to offer this service. Within the last contract period, UCP manufactured and delivered two manholes for the 95th Street/Plainfield/Naperville Road Widening Project.

Based upon the vendor’s performance, the Utility would like to renew the contract for an additional five years as opposed to using the two, one-year extensions, to remain consistent with previous awards for this project. UCP has provided rates and terms for the renewal that are consistent with the increases originally agreed upon per the Alliance Agreement in 2005. The Agreement has allowed for an increase annually based upon using the averages of the Producer Price Index as reported by the U.S. Department of Labor Statistics for “Intermediate Materials, Supplies, and Components” (IMS&C) and “Materials and Components for Construction” (M&CC) using the contract execution for establishing the baseline for calculating adjustments. In 2020, the Utility anticipates four manholes to be delivered for the Costco project.

The term of this renewal is January 18, 2020 to January 17, 2025 with no options to extend.

FISCAL IMPACT:

CIP#: N/A

This Alliance Agreement is expensed to the Operating Supplies account listed below. A total of \$3,000,000 is budgeted for supplies in 2020, including precast concrete manholes, switch vaults, and transformer pad/vaults. The requested award of \$66,000 is within the budgeted amount for this expense.

| Account Number | Fund Description | Total Budget Amount |
|-----------------|------------------|---------------------|
| 40101300-541407 | Electric Utility | \$3,000,150 |