



Legislation Text

File #: 18-1031, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the Award of Bid 18-258, Electric Utility Distribution, to Meade Electric Company, Inc., for an amount not to exceed \$11,265,395.33, plus a 3% contingency and for a two-year term

DEPARTMENT: Electric Utility

SUBMITTED BY: Mark Curran, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

This contract is a unit price bid and includes furnishing all labor, equipment and tools necessary for installation and maintenance of the underground and overhead 12kV, 34kV and 138kV electric utility facilities including: fiber optics, street lights and directional boring. Work is performed in easements and right-of-ways and includes residential, commercial and road sites. The majority of the Electric Utility's infrastructure (93%) is located underground.

Initial projects currently planned for this contract period include:

- Capital Maintenance Projects:
 - Naper Bailey - replace uninjectable spans
 - Brooks Crossing - cable replacement
 - DuPage River East Phase 1 & 2 - cable injection
 - Hobson West - cable injection
 - Old Farm - cable injection
 - Tollway to Indian Hill Feeder
 - Washington/Gartner Feeder
 - Duct bank extension - Jefferson Ave from Main to Webster
 - Osmose pole replacements
 - Fiber optic installations
 - System repairs/replacements due to failures

- Capital Projects (New Development):
 - Clow Creek Farm
 - Avenida
 - Charlestown Row II

- Polo Club Subdivision
- Whirlyball
- Wagner Farm Subdivision
- KLA School - Tuthill Rd
- Best Buy Carpets
- Iron Gate Motors Phase 2A
- City Gate North
- McDowell Point Apartments
- City Gate Apartments
- Southwest Community Park
- National Rifle and Pistol Academy
- New Residential Services and Service Relocations

At least 90% of capital costs associated with new development are recouped through the Facility Installation Charge (FIC) fees.

This work will continue to be completed through a combination of Utility crews and the contractor. The City Utility crews will continue to concentrate on the customer sensitive and day-to-day operation of the utility (customer service calls, outage restoration, residential half powers, street lighting maintenance, smaller new development and maintenance work) while the contractor takes on the larger new development and maintenance work. There continues to be new development activity, and the Utility is committed to meeting critical deadlines for facility installation. To date, with the assistance of the contractor, the Utility has been able to meet developer deadlines.

Due to the backlog with the Utility's maintenance projects, the capital budget has increased to approximately \$14M for 2019. The 2019 capital budget for maintenance and new development projects in the Electric Utility is \$14,214,000, (\$4,190,000 for new development and \$10,024,000 capital maintenance). The capital program is expected to be similar in size in 2020.

This contract is one of many tools used by the Utility to accomplish its goal of what was planned in the rate study and allocated in the approved budgets to keep the Utility fiscally sound, safe and reliable. Utility staff meet weekly to monitor this contract and the status of construction projects.

DISCUSSION:

Advertisement Date:	10/15/2018	Notices Sent:	424
Opening Date:	11/15/2018	Planholders:	19
		Bids Received:	3

The following bids were received:

	Meade Electric	Intren	Electric Conduit
Work Group A	\$8,453,748.20	\$9,412,663.00	\$10,093,551.15
Work Group B	\$2,925,439.00	\$3,176,178.75	\$2,979,485.00
Total Bid	\$11,379,187.20	\$12,588,841.75	\$13,073,036.15

Discount (Both Groups)	1%	0%	1%
Discounted Total Bid	\$11,265,395.33	\$12,588,841.75	\$12,942,305.79

Vendors could bid on Work Group A (electrical related functions), Work Group B (directional boring related functions) separately, or both groups together. Additionally, the vendors were asked to indicate if they would provide a discount if awarded both work groups. Depending upon price and qualifications, the bid could be awarded to one or two vendors.

As shown in the table above, three vendors submitted bid prices for both work groups and two opted to include a discount option. Meade was the low bid for both work groups. The award amount of \$11,265,395.30 includes the 1% discount.

In addition to the bids shown above, the City received one no-bid response from MJ Electric. MJ Electric stated their company was not currently established in this market and the startup expenses would be cost prohibitive to bid on the project at this time.

The contract term is two years from January 1, 2019 through December 31, 2020 with three, one-year options to extend the contract.

FISCAL IMPACT:

CIP #: EU01, EU02, EU03, EU05, EU06, EU12, EU13, EU14, EU29, EU44, EU52, EU66

Costs associated with this contract are expensed to the accounts listed below. The work included is related to multiple CIP projects, which are listed above. A total of \$14,214,000 has been budgeted for this in 2019. The contract extends into 2020 and funding will be included as part of future year budget requests and was included in the 5 year CIP budget.

Account Number	Fund Description	Total Budget Amount
40251300-551502	Electric Utility Fund	\$14,214,000