



Legislation Text

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File #: 23-1071, Version: 1

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**CITY COUNCIL AGENDA ITEM**

**ACTION REQUESTED:**

Approve the award of Bid 23-152, Underground Distribution, Directional Boring and Services, to Meade Electric Company Inc. for an amount not to exceed \$6,000,000, and for a one-year term

**DEPARTMENT:** Electric Utility

**SUBMITTED BY:** Brian Groth, Director

**BOARD/COMMISSION REVIEW:**

N/A

**BACKGROUND:**

The City of Naperville Electric Utility (Utility) operates 16 substations for the delivery of energy to approximately 62,000 residential and commercial customers. To provide timely and reliable services, the Utility requires the services of a qualified contractor to provide the labor and equipment necessary to perform capital and emergency maintenance work.

In previous years, the Utility issued one bid for civil, duct bank, overhead transmission/distribution, and underground transmission/distribution work to be completed by a single contractor. However, due to the limited number of contractors who can provide all types of work, the bids were broken into three separate solicitations this year.

In August 2023, the Utility issued Bid 23-152, Underground Distribution, Directional Boring and Services to seek a qualified contractor that could provide labor and equipment to support Utility capital and maintenance projects.

**DISCUSSION:**

Advertisement Date:	08/10/23	Notices Sent:	376
Opening Date:	08/30/23	Planholders:	31
		Proposals Received:	02

Bids were received from the following vendors:

Vendor Name	Proposed Cost
Meade Electric Company Inc.	\$13,698,450
Electric Conduit	\$15,337,131.23

The engineer’s estimate for this work was \$11,943,286.80. The bids received indicate that Meade Electric Company Inc., was 15% over the engineers’ estimate, and Electric Conduit was 28% over. Meade Electric Company Inc. directly cited reasoning for increases being both contractual within the respective collective bargaining agreements for their work groups, as well as direct inflationary costs. One of the key reasons why the bid from Meade Electric Company Inc. was the lowest bid is that they have a shop/yard in the area. Additionally, Meade Electric Company Inc. is familiar with the area, utility construction standards, and utility priorities.

Specific projects that will be completed through this contract, for the upcoming fiscal year, include Oleson Estates Cable Replacement, Polo Club new service installations, various fiber optic installations, as well as emergency maintenance projects which may arise. These projects are larger in size, require special equipment to complete, and/or have customer commitment dates that cannot be met with existing utility staff while still being available to address emergency and customer service type work. Furthermore, this continues to provide for the outsourcing of all directional boring work, this reduces risk to the City of Naperville and the Utility.

City staff is exploring alternative packaging of work to expand participation on future bids.

The term of this contract is one-year from January 1, 2024, to December 31, 2024.

**FISCAL IMPACT:**

CIP#: Various

Underground Distribution and Directional Boring services are budgeted in the below Infrastructure account. These services are necessary for a number of capital projects to be completed. While the 2024 budget is still being developed the Electric Utility has proposed a budget of \$19,796,200 for capital infrastructure projects. This award is within the proposed budget for this expense.

<b>Account Number</b>	<b>Fund Description</b>	<b>Proposed Budget Amount</b>
40251300-551502	Electric Utility	\$19,796,200