



City of Grand Island

Tuesday, January 27, 2004

Council Session

Item G9

#2004-18 - Approving Bid Award for Transmission Line Work - Utilities Department

Background:

Grand Island's generation and regional grid interconnections are located in the southern portion of the City. Those connections are made at the 115 kV level. A 115 kV transmission loop distributes power to substations on the perimeter of the City, furnishing power to the entire Service Area. As City electrical demand continues to grow, electric current flow on portions of the 115 kV loop can approach the capability of the original conductors, which were installed in the 1970's. To serve the increased load, the conductor is replaced, as necessary, with larger conductor.

This process was initiated in 1992 when the line section between PGS (Sub D) and Burdick Station (Sub H) was upgraded. A system map is attached for reference. Partial line sections were also upgraded in 2000, with the installation of two new substations and another interconnection to NPPD.

Specifications were prepared and bids received for continuing the conductor upgrade process. In 2004 conductor between Sub H and just south of Swift will be replaced; this will join larger conductor from Sub E, located north of Swift. The conductor from Sub D to the intersection of Blaine Street & Schimmer Drive will also be replaced. Now that the Wood River Diversion crossing Blaine Street is complete, a pole will be placed mid-span, to raise the power lines next to the bridge.

Discussion:

In May 2003, Advantage Engineering was hired to design the transmission line modifications and prepare Specifications. The Engineer's Estimate for the project is \$800,000. Bids for Transmission Line Work, Contract 04-PCC-01, were opened on December 22, 2003. The Bids are as follows:

1) Bidder: Schmader Electric Construction Co. of Westpoint, NE \$431,945.52, 2) Dominion Construction Co. of Scottsbluff, NE \$458,446.48, 3) Brink Electric Construction of Rapid City, SD \$501,864.85 and 4) Hutton Contracting Co. of Strasburg, CO \$660,312.00

No significant exceptions were taken by any of the bidders.

Dominion Construction Company has performed the major transmission line construction for Grand Island beginning with the 1992 construction. There were no problems working with Dominion and the quality of construction was entirely acceptable.

Schmader Electric has been hired twice by Grand Island for small projects involving transmission line pole replacement and relocation. Although the results were satisfactory, construction times were extended, because of undersized equipment. Checks with references furnished by Schmader showed satisfaction with the work but a preference for smaller jobs with non-critical time restrictions. Schmader Electric was contacted to ensure they understood Grand Island's requirements and would be capable of timely completion.

Recommendation:

Schmader Electric Construction has satisfactorily addressed the concerns of the Electric Department Staff and Advantage Engineering. The \$431,945.52 bid of Schmader Electric is the lowest of the bids and well within the Engineer's Estimate. The Electric Department and Advantage Engineering recommend that Contract 04-PCC-01 for Transmission Line Work be awarded to Schmader Electric Construction Company in the amount of \$431,945.52.

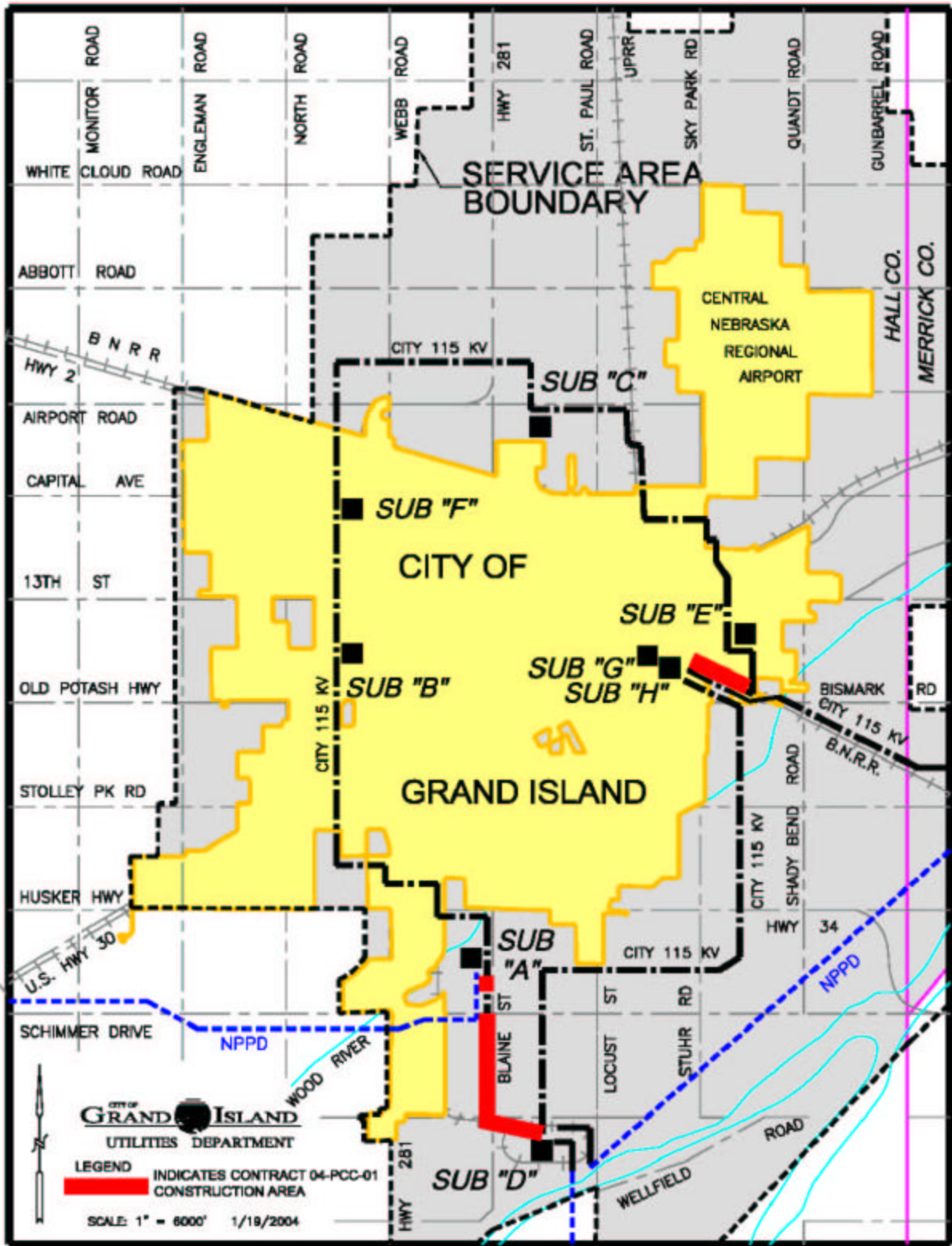
Fiscal Effects:

The Electric Department's Capital Improvement Budget for F.Y. 2003-04 allocates the funds for this project. Funds are available in the Electric Department Enterprise Fund 520.

Alternatives:

Award Transmission Line Work contract to another bidder.

Staff Contact: Gary R. Mader; Dale Shotkoski



Purchasing Division of Legal Department
INTEROFFICE MEMORANDUM



Dale M. Shotkoski, Assistant City Attorney

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Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: December 22, 2003 at 11:00 a.m.

FOR: Transmission Line Work, Contract 04-PPC-01

DEPARTMENT: Utilities

ENGINEER'S ESTIMATE: \$800,000.00

FUND/ACCOUNT: E520

PUBLICATION DATE: November 15, 2003

NO. POTENTIAL BIDDERS: 8

SUMMARY

Bidder:	<u>Schmader Electric Const. Co.</u> West Point, NE	<u>Hutton Contracting Co., Inc.</u> Straburg, CO
Bid Security:	United Fire & Casualty Company	American Institute of Architects
Exceptions:	Noted	Noted
Bid Price:	\$431,945.52	\$660,312.00

Bidder:	<u>Dominion Construction Co.</u> Scottsbluff, NE	<u>Brink Electric Construction Co.</u> Rapid City, SD
Bid Security:	Travelers Casualty & Surety Co.	Federal Insurance Co.
Exceptions:	None	None
Bid Price:	\$458,446.48	\$501,864.85

cc: Gary Mader, Utilities Director
Burhl Gilpin, Assistant Utility Director
City Administrator
Dale Shotkoski, Purchasing Agent
Laura Berthelsen, Legal Assistant

RESOLUTION 2004-18

WHEREAS, the City of Grand Island invited sealed bids for Contract No. 04-PCC-01, Transmission Line Work, according to plans and specifications on file at with the Utilities Department; and

WHEREAS, on December 22, 2003, bids were received, opened and reviewed; and

WHEREAS, Schmader Electric Construction Co. of West Point, Nebraska, submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, such bid being in the amount of \$431,945.52; and

WHEREAS, Schmader Electric Construction Co.'s bid is less than the engineer's estimate for such project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Schmader Electric Construction Co. of West Point, Nebraska, in the amount of \$431,945.52 for Contract No. 04-PCC-01, Transmission Line Work is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, January 27, 2004.

RaNae Edwards, City Clerk