



# City of Grand Island

Tuesday, August 24, 2004

Council Session

## Item G8

**#2004-202- Approving Bid Award for Transmission Poles,  
Steel/Wood Equivalent**

Staff Contact: Gary R. Mader

# **Council Agenda Memo**

**From:** Gary R. Mader, Utilities Director  
Dale Shotkoski, Asst. City Attorney/Purchasing

**Meeting:** August 24, 2004

**Subject:** Bid Award  
Steel–Wood Equivalent Transmission Poles

**Item #'s:** G-8

**Presenter(s):** Gary R. Mader, Utilities Director

## **Background**

The City's electrical load is such that it can not be served from a centrally located generating plant. Generating plants and distribution substations are located near the perimeter of the City, and they are connected by a 115,000 volt transmission loop. Construction of the 115,000 volt transmission loop began in 1970 and was completed ten years later.

The wood poles, used in the original construction, are inspected periodically and replaced as necessary. The supply of spare poles is nearing depletion. It is necessary to purchase spare poles, both for routine maintenance and to repair storm damage.

## **Discussion**

Steel poles have a longer expected life than do wood poles. This is particularly true in storage. Horizontally stored wood poles, unable to readily shed moisture, are more susceptible to decay than are vertically installed wood poles. Unlike wood poles, steel poles are environmentally benign. As regulations tighten, this characteristic will increase in importance.

Steel poles with the mechanically equivalent strength of wood poles are now on the market. The steel poles are designed to meet the same strength requirements as wooden poles of the same size, and are referred to as steel-wood. Specifications for 32 Steel – Wood Equivalent Transmission Poles were prepared. The advertisement appeared in the Grand Island Independent on July 15, 2004. The Engineers Estimate is \$175,000.

Three vendors responded with bids:

<b>Bidder</b>	<b>Manufacturer</b>	<b>Bid Price including 7% tax</b>
Dutton-Lainson Co	Valmont	\$135,057.54
Kriz-Davis Co.	Valmont	\$135,753.85
WESCO Distribution Co.	Penn Summit Tubular	\$121,736.04

All bidders imposed their standard commercial terms and conditions. Those of the lower bidder, WESCO, were not overly onerous. The Valmont offerings were subject to escalation if not accepted within one week. There were no exceptions by any of the three bidders to the technical requirements.

The Steel – Wood Equivalent Transmission Poles bid by WESCO, of Grand Island, is the lowest bid meeting the specifications.

### **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the award of the purchase of Steel – Wood Equivalent Transmission Poles to WESCO Distribution Inc.
2. Approve the award of the purchase of Steel – Wood Equivalent Transmission Poles to another bidder.
3. Deny award of the purchase of the Steel – Wood Equivalent Transmission Poles.
4. Table the issue.

### **Recommendation**

City administration recommends that the purchase of Steel – Wood Equivalent Transmission Poles be awarded to WESCO Distribution Inc., of Grand Island, in the amount of \$121,736.04.

### **Sample Motion**

I move that the purchase of the Steel – Wood Equivalent Transmission Poles be awarded to WESCO Distribution Inc., in the amount of \$121,736.04.



Dale M. Shotkoski, Assistant City Attorney

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**BID OPENING**

**BID OPENING DATE:** August 5, 2004 at 11:00 a.m.  
**FOR:** Transmission Poles – Steel – Wood Equivalent  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$175,000.00  
**FUND/ACCOUNT:** E520  
**PUBLICATION DATE:** July 15, 2004  
**NO. POTENTIAL BIDDERS:** 6

**SUMMARY**

<b>Bidder:</b>	<b><u>WESCO</u></b> Grand Island, NE	<b><u>Dutton-Lainson Company</u></b> Hastings, NE
<b>Bid Security:</b>	The Continental Insurance Co.	Universal Surety Company
<b>Exceptions:</b>	Noted	Noted
<b>Bid Price:</b>	\$121,736.04 (Sales Tax Included)	\$135,057.54 (Sales Tax Included)

<b>Bidder:</b>	<b><u>Kriz-David Company</u></b> Grand Island, NE
<b>Bid Security:</b>	St. Paul Guardian Insurance Co.
<b>Exceptions:</b>	Noted
<b>Bid Price:</b>	\$135,753.85 (Sales Tax Included)

cc: Gary Mader, Utilities Director  
Burhl Gilpin, Utilities Department  
Gary Greer, City Administrator  
Laura Berthelsen, Legal Assistant

Bob Smith, Assistant Utilities Director  
Pat Gerieke, Utilities Admin. Secretary  
Dale Shotkoski, Purchasing Agent