

REVISED

FOR BOARD ACTION

Agenda Item # 7

Meeting Date:

05/29/12

SUBJECT: Service Center VAV Box Replacement Project – Bid Rejection

PREPARED BY: Steve Monson, Supervisor of Facilities and Fleet

ITEM DESCRIPTION:

The Service Center VAV box replacement project manual, including Instruction to Bidders and General Conditions, contained a number of requirements that are relevant primarily to federally funded projects. The major requirements of concern are Buy American provision, Davis-Bacon federal prevailing wage and record-keeping/reporting. These provisions were a carry-over from the Service Center geothermal project, that did in fact receive federal funding through DOE as part of the American Recovery and Reinvestment Act of 2009. Being the VAV box replacement is funded solely from RPU's 2012 capital budget, the above federal requirements are not mandatory for this project. Management has determined that significant costs would result from the federal requirements.

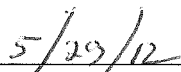
Management recommends that the Board reject all bids. All references to federal requirements would be removed from the project manual and the project re-advertised for bids. We anticipate a mid-June bid opening and Board action at the June board meeting.

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

UTILITY BOARD ACTION REQUESTED:

Management recommends the Board reject all bids as allowed under Instruction to Bidders, Division 00 21 (AIA Document A701).


General Manager


Date



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject all bids received in response to the request for bids for Service Center VAV Box Replacement, RPU Project No. 7005048, dated March 30, 2012 due to factual errors contained in the project manual that if left uncorrected would result in significant extraneous project costs.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of May, 2012.

President

Secretary