

FOR BOARD ACTION

Agenda Item # 5.b.

Meeting Date:

9/25/2012

SUBJECT: Northern Hills Substation – 161 kV Disconnect Switch Bid Rejection

PREPARED BY: Neil Stiller, Sr. Electrical Engineer

ITEM DESCRIPTION:

The Northern Hills CapX project requires the bidding and purchase of ten 161 kV disconnect switches. The engineer's estimate for this purchase is \$140,000. Requests for Bids were advertised according to RPU's regular practices. Only one responsive and responsible bid was received.

As this project is funded through the collaboration of multiple CapX stakeholders, Management wishes to demonstrate financial due diligence by evaluating a competitive group of responsive and responsible bids.

Of the bidding documents, section 002113-02 Instruction to Bidders subsection 4.5 states:

“The Rochester Public Utility Board reserves the right to reject any and all Bids and to accept the Bids or Bids, in whole or in part, considered to be in the best interests of the City of Rochester.”

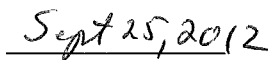
Management recommends that the Board reject all bids. The project team will re-advertised for bids. We anticipate a mid-October bid opening and Board action at the October board meeting.

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

UTILITY BOARD ACTION REQUESTED:

Management recommends the Board reject all bids as allowed under bid document 002113-02 Instruction to Bidders.


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 Northern Hills Substation – 161 kV Disconnect Switches, dated September 12, 2012.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of September, 2012.

President

Secretary