

FOR BOARD ACTION

Agenda Item # 5. a.

Meeting Date:

3/25/08

SUBJECT: Consideration of Bids, 161kV Outdoor 3-pole 161kV Circuit Breakers

PREPARED BY: Neil Stiller
Sr. Electrical Engineer

Bids were opened on March 13, 2008 for two (2) 161kV Outdoor 3-pole 161kV Circuit Breakers. This equipment will be used at the IBM Substation. It is part of a budgeted project. Delivery of this equipment is scheduled for September, 2008.

Four bids were received. Technical evaluation of bids was performed by Ulteig Engineers Inc. along with staff. Each bidder was also required to provide pricing for essential spare parts.

The low bidder, Areva T&D Inc., proposed acceptable equipment and delivery schedules. RPU has purchased numerous circuit breakers from this company in the last 10 years with satisfactory performance and customer support.

Bid information is summarized on the attached page.

UTILITY BOARD ACTION REQUIRED:

It is recommended that the Utility Board approve a purchase order agreement with Areva T&D Inc., in the amount of \$125,995.00.

Reviewed 3-19-08 WNF


General Manager

3/20/08
Date

ROCHESTER PUBLIC UTILITIES

IBM Sub. 161 kV Breaker Bid Tabulation and Evaluation

	<u>SIEMENS</u>	<u>AREVA</u>	<u>MITSUBISHI</u>	<u>ABB</u>
	By ElectroTech	By BSE	By Burmeister	By WESCO
BID BOND (Y / N)	Yes	Yes	Yes	Yes
BASE BID Unit Price	\$61,000	\$59,750	\$65,259	\$78,650
TECHNICAL EXCLUSIONS OR EXCEPTIONS:				
Description	Limited to miscellaneous issues.	No material exceptions	Cabinet material	Limited to miscellaneous issues.
Adders to Conform bid to Specification	\$0	\$0	\$4,500	\$0
BASE BID PLUS ADDERS	\$61,000	\$59,750	\$69,759	\$78,650
OPTIONAL SPARE PARTS				
Trip Coil	\$250	\$85	No Bid	\$383
Close Coil	\$250	\$85	No Bid	\$383
Charging Motor	No Bid	\$525	No Bid	\$1,103
Interruptor	\$9,000	\$4,000	No Bid	\$5,413
Bushing	\$2,800	\$1,800	No Bid	\$2,664
Total of Spare Parts	\$12,300	\$6,495	No Bid	\$9,946
TOTAL FOR 2 BREAKERS AS SPECIFIED with 1 Set of Spare Parts	\$134,300	\$125,995	NA	\$167,246
DELIVERY DATE (Required September, 2008)	July 2008	Aug. - Sept. 2008	May 1, 2009	Nov. - Dec. 2008

**BID FORM
004160**

**161KV OUTDOOR THREE-POLE GAS-INSULATED CIRCUIT BREAKER
BID DUE DATE: March 13, 2:00 PM Central Time**

PROJECT: City of Rochester, Rochester Public Utilities, IBM Substation 161kV Bus Upgrade
FROM: AREVA T&D, INC.
ATTENTION: Bob Ledebuhr, C.P.M., Materials Manager

The undersigned agrees, if this bid is accepted, to enter into a contract for the work described in this request for bid and any subsequent formal written changes, exclusive of any qualifications attached hereto, for the following firm lump sum price for the 161kV Circuit Breakers, including freight F.O.B. jobsite, insurance, overhead, profit, etc. and excluding taxes:

Base Bid

Item No.	Description	Base Bid Amount 161kV Circuit Breakers
1	TOTAL FIRM LUMP SUM BID FOR TOTAL EQUIPMENT SUPPLY OF 161KV CIRCUIT BREAKERS	\$ 59,750

City reserves the right to accept either the base bid price or the base price with the option.

Bidder must attach to the bid proposal a detailed explanation of any Alternate Bid, which includes, but shall not be limited to, all supporting technical information, drawings, technical data, milestones, schedule, etc. sufficient to allow City to adequately evaluate any Alternate Bid.

BIDDER NAME: AREVA T&D, INC.

Bidder's Surety Company: LIBERTY MUTUAL SURETY
 Bonding Capacity: \$100,000,000.00 Current Value of Work Bonded \$60,000,000.00
 Name of Agent: SCOTT INSURANCE
 Contact Name: ROBERT COON Phone Number: 336-510-0072
 Bid Bond Type SURETY BOND (price included in lump sum price)
 Identification Number N/A
 Pricing reflects Addendum No's ___ through ___ inclusive. **NO ADDENDUMS SUBMITTED**

	Yes	No
Bid is, without exception, in exact accordance with the subcontract, specifications, drawings, terms, conditions and requirement of this RFB? (If no, attach separate page with qualifications.)		X
Pricing will remain valid for acceptance for 90 days and is not subject to escalation.	X	
Does Bidder have a written Quality Assurance Program?	X	
Bidder has supplied an overall schedule?	X	
Bidder has completed the Sub-Contractor list? (Labor contracts only)		X
Bidder has completed and submitted the Acknowledgement of Corporation Form?	X	

MILESTONE DATES

The Bidder shall commit to milestones by providing 'Seller Committed Dates.' Key milestone dates for the work are as follows:

<u>Milestone Schedule</u>	<u>City Scheduled Date</u>	<u>Seller Committed Date</u>
RFB Due	March 13, 2008	N/A
Signed Purchase Order Required to Meet Delivery Date		MAY 2, 2008
Issue of Approval Drawings		4-6 WEEKS ARO
Deliver	September 19, 2008	SEPTEMBER 19, 2008

The undersigned agrees, if this bid or Alternate Bid is accepted, to enter into contract for the work described in this Request for Bid and any subsequent formal written changes, exclusive of any qualifications attached hereto.

Submitted by:

Amanda J. Moore / MARKETING ENGINEER

Signature/Title

MARCH 13, 2008

Date

AREVA T+D, INC.

Company

724-483-7967

Phone

ONE POWER LANE

Address

724-483-7771

Fax

CHARLEROI, PA 15022

City/State/Zip

AMANDA.MOORE@AREVA-TD.COM

Email



Get the job done right

5201 E. River Road, Suite 308
Minneapolis, MN 55421-1027
Phone: 763.571.2500
Fax: 763.571.1168

March 17, 2008

Mr. Neil Stiller
Rochester Public Utilities
4000 East River Road NE
Rochester, MN 55906-2813

Re: IBM Substation 161kV Circuit Breakers Award Recommendation
Ulteig Project No. 207.1591

Dear Mr. Stiller:

Ulteig Engineers, Inc. has reviewed proposals from ABB, Areva, Mitsubishi, and Siemens for furnishing two 161 kV circuit breakers for the IBM Substation 161 kV Bus Upgrade Project.

The proposal submitted by Areva was the lowest among the four bids and had a delivery schedule that met the specification requirements. Areva had the following exceptions:

1. Areva stated that they would submit shop drawings and instruction manuals in accordance with their standard business practice in lieu of the specified requirements. We questioned Areva on this, and they responded that their specific exceptions to the specified submittal requirements was that they were proposing to submit drawings in a size of 11x17 inches and electronic copies of the drawings would be submitted in AutoCad 2000 format. We considered this to be acceptable.
2. Areva stated that they were proposing their standard cabinet heaters and thermostat. This was discussed with RPU, and RPU was to investigate whether this would be acceptable based on other Areva circuit breakers currently installed in RPU's system.

3. Areva stated that they were proposing their standard pole isolation valves in lieu of the specified DILO valves. We questioned Areva on this, and they responded that by using their standard valves, the welded gas piping helps to reduce leak points and the increased port size reduces filling time. This was considered to be acceptable.
4. Areva stated that they proposed to use THHN wire for CT circuits. We questioned Areva on this, and they stated that they would use the specified SIS wire for CT circuits without any additional cost.

In addition to the above, Areva also took exception to the specified payment terms and also stated that their offer is subject to a mutually agreeable set of terms and conditions. This was not factored into our evaluation and RPU will need to negotiate the terms and conditions with Areva.

Recommendation

We recommend that the purchase order for the 161 kV circuit breakers be awarded to Areva based on Areva having the lowest evaluated cost and meeting the specification requirements, subject to successful and satisfactory completion of the contract documents.

If you have any questions or comments pertaining to this bid evaluation, please don't hesitate to call me at (763) 259-7842.

Sincerely,



Bradley J. Daubenberger, PE
Project Engineer



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Board approves a purchase order agreement with Aveva T&D, Inc. for the furnishing of

2 – 161 KV Outdoor Three-Pole Circuit Breakers

In the amount of ONE HUNDRED TWENTY-FIVE THOUSAND NINE HUNDRED NINETY-FIVE AND NO/100 DOLLARS (\$125,995.00), and Aveva T&D, Inc. being lowest responsible bidder.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of March 2008.

President

Secretary