

FOR BOARD ACTION

Agenda Item # 4. b.

Meeting Date: 2/28/06

SUBJECT: CONSIDERATION OF BIDS
WIRE AND CABLE 2006

PREPARED BY: Steven J. Cook
Senior Electrical Engineer

ITEM DESCRIPTION:

On January 31, 2006 the Rochester Public Utilities Board passed a resolution authorizing a purchase order for \$139,136.80 to WESCO. One of the items approved for purchase in that resolution was Bid Item #6 (Wire, Copper, 15KV, 500 MCM Str, EPR). Staff missed an exception noted on the documentation provided by the cable manufacturer which we are unable to except. The stated exception is: "Items are combines for price and delivery and cannot be purchased separately at these prices."

RPU cannot accept this stated exception and requests the Board to

- 1) Reject WESCO's Bid Item #6 for \$94,908.00.
- 2) Authorize staff to issue a purchase order for Bid Item #6 to Burmeister for \$96,056.40.

RPU will continue to purchase Bid Item #1 from WESCO which has a total price of \$44,228.80.

The items purchased under this bid are the more specialized cable and wire that RPU uses in our electric system.

The cost of these items has increased 10 to 25 percent in the last year due to increases in base metals costs and oil related costs.

UTILITY BOARD ACTION REQUESTED:

The Board is requested to:

1. Make a verbal motion to rescind the Board's Resolution approved on January 31, 2006 for Wesco's Bid for Item #6.
2. Approve a resolution to reject WESCO's Bid for Item #6 as unacceptable because of stated exceptions.
3. Approve a resolution to approve a purchase order agreement with Burmeister for Bid Item #6.


General Manager


Date

ROCHESTER PUBLIC UTILITIES



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the low bid for item # 6 from WESCO as unacceptable because of stated exceptions.

<u>Item #</u>	<u>Description</u>
6	500 MCM, 15kV, 1/C, Stranded Copper, 0.220 mil ERP Insulation

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 28th day of February, 2006.

President

Secretary



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a purchase order agreement with Burmeister for Wire and Cable.

<u>Item #</u>	<u>Description</u>
6	500 MCM, 15kV, 1/C, Stranded Copper, 0.220 mil ERP Insulation

The amount of the purchase order agreement to be NINETY-SIX THOUSAND FIFTY-SIX AND 40/100 DOLLARS (\$96,056.40) and Burmeister being lowest responsible bidder.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 28th day of February, 2006.

President

Secretary