

FOR BOARD ACTION

Agenda Item # 4.

Meeting Date:

7/27/04

SUBJECT: 2.0 MW PACKAGED ENGINE GENERATOR AND DISTRIBUTION SYSTEMS FOR INSTALLATION AT IBM BUILDING 20 & POWERHOUSE BUILDING 301

PREPARED BY: Scott C. Nickels
Project Electrical Engineer

ITEM DESCRIPTION:

Over the past year discussions have been conducted with IBM regarding the provision of standby electric service for the IBM building 20 and Powerhouse Building 301 on the Rochester IBM campus. A plan was developed to utilize two diesel generators to jointly provide standby service for IBM and peaking capacity for RPU. Pursuant to providing this electric service a request for bids was issued to seven (7) qualified bidders on June 14, 2004 for the generators and related equipment to be installed as a packaged installation. On July 12, 2004 a single bid was received for the equipment and installation of two (2) 2MW packaged engine generator and distribution switchgear systems. Three (3) of the qualified bidders responded by not choosing to bid because of the short delivery and installation time required by IBM as listed within the bid documents. The proposal submitted by Ziegler Power Systems is a competitive bid that is lower than original project estimates.

A summary of the bid price or bid detail for each of the seven qualified bidders is below:

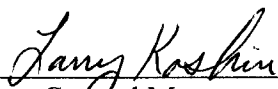
BID SUMMARY

<u>Bidder</u>	<u>Bid Amount/Action</u>
Ziegler Power Systems	\$1,430,700.00
Cummins N Power LLC	No Bid
DTE Energy Technologies	No Bid
Eaton Cutler Hammer	No Bid
Kohler Power System	No Bid
Parsons Electric	No Bid
Square D Company	No Bid

UTILITY BOARD ACTION REQUESTED:

It is recommended that the Utility Board request the Common Council to approve a purchase order agreement with Ziegler Power Systems in the amount of \$1,430,700.00.

Reviewed 7-22-04 WNF


General Manager

7/23/04
Date

SECTION 3: BID PROPOSAL

Public Utility Board
City of Rochester
Rochester, MN 55906-2813

Date 7-12-2004

Board Members:

The undersigned hereby proposes to furnish and deliver the following equipment F.O.B. Pad at IBM in Rochester, Minnesota, in accordance with the attached Specifications.

DESCRIPTION: 2.0 MW PACKAGED ENGINE GENERATOR AND DISTRIBUTION SYSTEMS FOR INSTALLATION AT IBM BUILDING 20 & POWER HOUSE BUILDING 301

QUANTITY: Two (2) packaged engine generator systems
MANUFACTURER: Caterpillar
DELIVERY DATE: March 15, 2005
SPECIFICATIONS: See attached "2.0 MW PACKAGED ENGINE GENERATOR AND DISTRIBUTION SYSTEMS FOR INSTALLATION AT IBM BUILDING 20 & POWER HOUSE BUILDING 301"

TOTAL PRICE: \$1,430,700.00

Accompanying this Proposal is a Bid Bond payable to the City of Rochester in the amount of \$ 5% which is equal to five percent (5%) of the total Bid price. It is understood that this Proposal is submitted pursuant to the NOTICE TO BIDDERS, attached hereto, and the Undersigned hereby agrees to the terms and conditions thereof. The Undersigned warrants that this Proposal is submitted in good faith and without collusion or connection with any other person or persons bidding for the same work. In the event that this Proposal is accepted, the Undersigned hereby agrees to deliver the Bid items with the time period(s) quoted herein after receipt of a signed Purchase Order and/or any other legally executed Contract document(s).

Ziegler Power Systems
BIDDER
8050 County Road 101 East, Shakopee, MN 55379
ADDRESS
Cal Dufault
BY
Sr. Sales Engineer
TITLE
952-445-4292
TELEPHONE

SECTION 4: BID FORM

PROJECT IDENTIFICATION:

2.0 MW PACKAGED ENGINE GENERATOR AND DISTRIBUTION SYSTEMS FOR INSTALLATION
AT IBM BUILDING 20 & POWER HOUSE BUILDING 301

THIS BID IS SUBMITTED TO:

Rochester Public Utilities
ATTN: Materials Manager
4000 E. River Road NE
Rochester, MN 55906-2813

BIDDER will provide complete functional equipment installed on the foundations at the job site accordance with the Contract Documents for the following price(s):

UNIT PRICE SCHEDULE

No.	Item	Quantity	Unit Cost	Extended Price
1	Engine Generator System with enclosure and main tank for building 20	1	\$396,940.00	\$396,940.00
2	Engine Generator System with enclosure and day tank for Powerhouse building 301	1	\$358,090.00	\$358,090.00
3	480V switchgear and walk-in outdoor control building for building 20	1	\$356,120.00	\$356,120.00
4	480V indoor switchgear for Powerhouse building 301	1	\$289,550.00	\$289,550.00
5	Additional generator accessories	Lot	\$ 30,000.00	\$ 30,000.00
Total Bid				\$1,430,700.00
6	Service & maintenance contract for each packaged engine generator for 1 year	2	\$ 3,942.50	\$ 7,885.00
7	Manufacturer on-site generator training for 1 day.	1	\$ 1,200.00	\$ 1,200.00
8	Commissioning of each engine generator system by the manufacturer after installation	2	\$ 16,500.00	\$ 33,000.00

NOTE: The bid price listed in the bid proposal shall be only items 1 through 5.

Communications concerning this Bid shall be addressed to:

The address of BIDDER indicated below.

Ziegler Power Systems

8050 County Road 101 East

Shakopee, MN 55379

BIDDER shall list the names, addresses, and contacts for all major equipment supplied with the bid (submit and attach additional pages if necessary):

1st Business name Pedersen Power Products

Business address: 3900 Dahlman Avenue

Omaha, Nebraska 68107

Contact Mr. Jim Bell (Pedersen Local Rep)

Phone No.: 218-863-7187

2nd Business name D.T.S., Inc.

Business address: 27157 470th Avenue

Tea, SD 57064

Contact Mr. Don Boadwine

Phone No.: 605-368-5306

3rd Business name _____

Business address: _____

Contact _____

Phone No.: _____

Each business and/or joint venturer must be listed and must contain all requested information above.



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a purchase order agreement with Ziegler Power Systems for

2.0 MW Packaged Engine Generator and Distribution Systems

The amount of the purchase order agreement to be ONE MILLION FOUR HUNDRED THIRTY THOUSAND SEVEN HUNDRED AND 00/100 DOLLARS (\$1,430,700.00) and Ziegler Power Systems being lowest responsible bidder.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of July, 2004.

President _____

Secretary _____