

FOR BOARD ACTION

Agenda Item # 4.c.

Meeting Date:

1/27/09

SUBJECT:

Unit 3-4 High Pressure Feedwater Heater Re-tubing

PREPARED BY:

Rob Dunnette, Manager of Power Resources

ITEM DESCRIPTION:

The Unit 3-4 high pressure feedwater heater is scheduled for re-tubing during the upcoming Unit 3 maintenance outage. Funding for the project is provided for in the adopted 2009 Power Resources allocation budget.

Bid documents were prepared and a request for bids was published, and distribute to known contractors. The bid opening took place for January 20, 2009. One "bid" was received. (See below.)

BID SUMMARY

<u>Bidder</u>	<u>Responsive Bid</u>	<u>Bid Amount</u>
Thermal Engineering Intl.	No	\$206,816*
American Power Services	No	No Bid
Yuba Heat Transfer	No	No Bid

*Not a firm bid

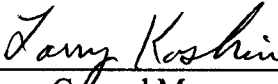
Staff has determined that the bid submittal is not responsive in that the "bid" did not provide a firm price or schedule as required by the bid specifications. In addition, the submittal failed to provide assurance that the contractor possessed sufficient experience working with the model of heat exchanger involved to execute the work properly. Finally, the cost estimate provided in the proposal significantly exceeded the budget for the project.

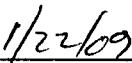
FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

Not Applicable

UTILITY BOARD ACTION REQUESTED:

Staff recommends that the Board reject the "bid" for failure to meet bid specifications as noted above, and authorize staff to re-bid the project.


General Manager


Date

ROCHESTER PUBLIC UTILITIES



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the bid received from Thermal Engineering International for Unit 3-4 high pressure feedwater heater for failure to meet bid specifications by not providing a firm price, schedule, or appropriate documentation of contractor's experience.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of January, 2009.

President

Secretary