

ADVISORY INFORMATION

Date Prepared: May 14, 2008

Subject: Authorization to Issue a Purchase Order for the Procurement of Cables for the MWWTP Medium Voltage Cable Replacement, MCES Project 806400, Contract 08P024

Proposed Action:

It is recommended that the Metropolitan Council authorize its Regional Administrator to issue a purchase order for procurement of medium voltage cable for the Metropolitan WWTP Electrical Cable Replacement, MCES Project Number 806400, Contract 08P024, to the lowest responsive bidder, Total Construction & Equipment, for its bid of \$629,937.

Summary of Committee Discussion / Questions:

The Committee asked about salvaging the existing cables for their copper value. The electrical cable installation contract, which is a separate bid contract, provides that the contractor becomes the owner of copper cable that is removed to enable its replacement. Thus, the Council has obtained the salvage value of the copper cable through the competitive bidding process.



Environment Committee

Meeting date: May 13, 2008

For the Metropolitan Council Meeting of May 28, 2008

Business Item

Item: 2008 – 137

ADVISORY INFORMATION

Date:	May 5, 2008
Subject:	Authorization to Issue a Purchase Order for the Procurement of Cables for the MWWTP Medium Voltage Cable Replacement, MCES Project 806400, Contract 08P024
District(s), Member(s):	All
Policy/Legal Reference:	Expenditures, Policy 3-3
Staff Prepared/Presented:	Bill Cook 651-602-1811; Bryce Pickart 651-602-1091
Division/Department:	MCES c/o William G. Moore 651-602-1162

Proposed Action

It is recommended that the Metropolitan Council authorize its Regional Administrator to issue a purchase order for procurement of medium voltage cable for the Metropolitan WWTW Electrical Cable Replacement, MCES Project Number 806400, Contract 08P024, to the lowest responsive bidder, Total Construction & Equipment, for its bid of \$629,937.

Background

Sixty-six (66) medium voltage cables at the Metropolitan Wastewater Treatment Plant, which are nearing the end of their useful life, are being replaced in four phases over the next ten years. This project furnishes replacement cables for Phase I – Critical Equipment, Blower Building and Effluent Pumping Station. Installation of the Phase I cable will be under a separate contract.

Rationale

Three bids were received and opened on April 23, 2008.

Total Construction & Equipment	\$629,937
The Okonite Company	\$602,067
Anixter Inc.	\$581,154

Both The Okonite Company and Anixter Inc. have submitted unresponsive bids, which contained an escalation clause related to the price of copper. The bid required a firm price. As this is electrical cable, copper is the major material in the product and the price has been fluctuating significantly during the last months.

The bids were below the engineer's estimate of \$855,900.

Funding

Procurement and construction funds for Phase I Cable Replacement are included in the 2008 Capital Budget.

Annual or Capital	Project No	Year Project Approved	Estimated Project Cost	Current Authorization	Unencumbered Funds	Requested Amount
Capital	806400	2008	\$1,500,000	\$3,900,000	\$3,800,000	\$629,937

Known Support / Opposition

None