



**Request for City Council Committee Action
From the Department of Public Works and Procurement**

Date: October 16, 2006
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Paul Ostrow, Chair Ways & Means Committee

Subject: Approval of Official Publication No. 6663 – Bids for Generators and Paralleling Switchgear

Recommendation:

Acceptance of the low responsive bid of Ziegler Power Systems in the amount of \$2,569,689.00 to furnish and deliver generators and paralleling switchgear to the Public Works Water Department per specifications.

Contingent on approval of the Civil Rights Department.

Prepared by: Gary Warnberg Director, Purchasing

Approved by: Steven A. Kotke, P.E. City Engineer, Director of Public Works
Richard J. Smith, for

Presenters: Shahin Rezania Director, Water Works Division

Financial Impact (Check those that apply)

- No Financial Impact – or – Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain): Action is within Budget
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

Tabulation of two (2) bids received on Official Publication 6663 for Generators and Paralleling Switchgear is attached.

Staff Recommendation/Notes: The apparent low bidder submitted a delivery time that was not acceptable for the Water Department requirements. Please refer to the enclosed staff memo.

Attachments – Staff Recommendation
Tabulation Sheet

cc: S. Rezania
C. Huske
S. Kotke

Recommendation for Bids for Generators and Paralleling Switchgear

Official Publication No.6663

A review of the bids submitted by Cummins N-Power and Ziegler Power Systems (Caterpillar) to furnish Generators and Paralleling Switchgear has been completed.

The following are the bid prices and deliveries as listed in the proposals:

Bidder	Bid Amount	Delivery	Differences
Cummins NPower LLC	\$ 2,421,971	67 weeks	\$ 147,718
Zeigler Power Systems	\$ 2,569,689	30 weeks	6 %

The specifications required delivery of the equipment on July 20, 2007.

Cummins NPower LLC:

- Did propose equipment that meets the equipment specifications.
- States in their proposal that shop drawings will be provided for review within 6 weeks after award of contract, and that equipment will be delivered 67 weeks after receipt of approved shop drawings. On this basis, the expected delivery of the equipment is at the end of May, 2008.

This delivery date does not meet the specification and would cause the project milestones for major equipment installation and substantial completion to be delayed for approximately one year.

Zeigler Power Systems:

- Did propose equipment that meets the equipment specifications.
- States in their proposal that shop drawings will be provided for review within 6 weeks after award of contract, and that equipment will be delivered 30 weeks after receipt of approved shop drawings. Assuming award of contract by December 1, 2006, the equipment would delivered in August, 2007. Ziegler Power Systems subsequently clarified that their delivery was not 30 weeks after shop drawing approval as listed in the proposal but 30 weeks after contract award. This would have the equipment delivered in May, 2007, assuming award of contract by December 1, 2006.
- Is able to meet both the equipment and delivery specifications and the bid should be awarded to them.

Offl Publ #6663
 Bids opened 10 AM, CDST
 August 30, 2006
 Minneapolis MN

"BIDS FOR GENERATORS AND PARALLELING SWITCHGEAR" - P/W Water Department

Lump Sum

\$ 2,421,971.00 2,569,688.00

Cummins
Power
LLC
Steelers
Power
Systems

We, the undersigned, hereby certify that the above bids were publicly opened and read aloud:

P. O'Brien
 FINANCE OFFICER

David M. ...
 ASST. DIRECTOR, PURCHASING

-----Original Message-----

From: Rezanian, Shahin
Sent: Wednesday, October 11, 2006 12:22 PM
To: Ybarra, David M.
Cc: Huske, Charles N
Subject: FW: Recommendation for Bids for Generators and Paralleling Switchgear Official Publication No.6663

Based on the Project Manager's recommendation below , please accept the responsive bid by Zeigler.

Please feel free to call me if you have any questions.

Thanks,
Shahin

Shahin Rezanian, Ph.D., P.E.
*Director of Water Treatment and Distribution Services
Public Works Department
City of Minneapolis
Public Service Center - Room 206
250 South 4th Street
Minneapolis, MN 55415
612-673-2418 Office
612-673-3723 Fax*

-----Original Message-----

From: Huske, Charles N
Sent: Friday, October 06, 2006 3:03 PM
To: Rezanian, Shahin
Subject: Recommendation for Bids for Generators and Paralleling Switchgear Official Publication No.6663

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Official Publication No.6663

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