

COUNCIL ACTION FORM

SUBJECT: PURCHASE OF ELECTRIC DISTRIBUTION UTILITY POLES

BACKGROUND:

This bid is to award a contract for the purchase of electric distribution poles necessary to meet the anticipated needs of the Electric Services Department for new construction and maintenance. Distribution poles are purchased from an Electric Department inventory asset account and charged to the appropriate operations accounts as the poles are put into use. Generally, over a million dollars in assets are available in the Electric inventory at any given time for use in new service and maintenance activities.

Under the proposed contract, distribution poles will be purchased as requested on a quarterly basis. This provides the City with flexible inventory management and helps to reduce the need for storage space. The proposed contract period will end on August 31, 2010. This contract will be for one full year and will be rebid in 2010. Bid prices are exclusive of sales taxes, which are applicable to the purchase of this equipment and are paid directly by the Utility. **No contract amount is being authorized at this time, since payments will be made as distribution poles are purchased. The award is based on unit prices for standard poles which the utility anticipates purchasing.**

On August 4, 2009, bids were received as shown on the attached report. The evaluation amount is based on unit prices and estimated quantities purchased in the past three years. The award amount is based on the estimated total evaluated cost. The lowest evaluated bid was found to be non-responsive and the second lowest bid was subject to monthly escalation/de-escalation based on several production factors. The Electric Engineering Manager has reviewed the bids and determined that the lowest responsive firm-price bid meets the needs of the Electric Services Department.

ALTERNATIVES:

1. Award a contract to Baldwin Pole, Bay Minette, Alabama, for the purchase of electric distribution utility poles in accordance with unit prices bid. Poles are to be purchased as requested; payments will be based on unit prices bid and actual quantities ordered, plus applicable sales taxes.
2. Reject all bids and attempt to purchase electric distribution utility poles on an as needed basis.

MANAGER'S RECOMMENDED ACTION:

Award of this contract will allow for a sure supply of distribution poles needed for new service and emergency replacements at a known cost. Distribution poles will be purchased as needed under this contract at the unit price quoted in this bid process.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 above, awarding the contract for the purchase of electric distribution poles to Baldwin Poles, Bay Minette, Alabama.

**CITY OF AMES
IOWA**

Electric Distribution

RFQ 2009-248

Group One



Group to be Awarded to:

Baldwin Pole

Edie Schmidt, Procurement Specialist I, Finance Department

Est Need	Koppers Inc.		Thomasson Company		Baldwin Pole		Resco		McFarland Cascade		North Pacific		
	Unit Cost	Evaluated Cost	Unit Cost	Evaluated Cost	Unit Cost	Evaluated Cost	Unit Cost	Evaluated Cost	Unit Cost	Evaluated Cost	Unit Cost	Evaluated Cost	
30 Foot class 5	25	\$147.00	\$3,675.00	\$150.00	\$3,750.00	\$148.00	\$3,700.00	\$154.08	\$3,852.00	\$157.00	\$3,925.00	\$163.01	\$4,075.25
35 Foot class 5	25	\$181.00	\$4,525.00	\$190.00	\$4,750.00	\$191.00	\$4,775.00	\$198.97	\$4,974.25	\$203.00	\$5,075.00	\$204.46	\$5,111.50
40 Foot class 1	5	\$427.00	\$2,135.00	\$420.00	\$2,100.00	\$430.00	\$2,150.00	\$428.57	\$2,142.85	\$446.00	\$2,230.00	\$460.88	\$2,304.40
40 Foot class 3	10	\$310.00	\$3,100.00	\$330.00	\$3,300.00	\$340.00	\$3,400.00	\$341.83	\$3,418.30	\$335.00	\$3,350.00	\$346.63	\$3,466.30
45 Foot class 1	5	\$515.00	\$2,575.00	\$500.00	\$2,500.00	\$525.00	\$2,625.00	\$520.40	\$2,602.00	\$537.00	\$2,685.00	\$555.73	\$2,778.65
45 Foot class 3	10	\$372.00	\$3,720.00	\$385.00	\$3,850.00	\$390.00	\$3,900.00	\$410.20	\$4,102.00	\$403.00	\$4,030.00	\$418.28	\$4,182.80
50 Foot class 1	5	\$587.00	\$2,935.00	\$590.00	\$2,950.00	\$615.00	\$3,075.00	\$635.71	\$3,178.55	\$637.00	\$3,185.00	\$659.46	\$3,297.30
50 Foot class 3		\$437.00		\$445.00		\$465.00		no quote		\$479.00		no quote	
55 Foot class 1	5	\$748.00	\$3,740.00	\$720.00	\$3,600.00	\$725.00	\$3,625.00	\$748.97	\$3,744.85	\$775.00	\$3,875.00	\$770.23	\$3,851.15
55 Foot class 3		\$540.00		\$550.00		\$540.00		no quote		\$582.00		no quote	
Total Group One		\$26,405.00		\$26,800.00		\$27,250.00		\$28,014.80		\$28,355.00		\$29,067.35	
Delivery Time		15-20 days	40k lbs	10-21 days	n/a	7-14 days	none	15-20 days	41k lbs	7-21 days	42.5k lbs	21 days	approx 35
Quantity for Full Truckload													
Add'l freight per pole for less than truckload		\$650.00 flat fee / # of poles		n/a		none		n/a		\$510.00		\$14.00	

Notes

Non-responsive, offer form incomplete and unsigned

Subject to Esc/Desc monthly

Incomplete bid

Add'l ft charges for "mixed" loads apply

Incomplete bid