## ROCHELLE CITY COUNCIL AGENDA ITEM MEMO REGULAR MEETING

## SUBJECT:Ordinance Accepting the bid from Tri-City Electric Company for the Westview Drive<br/>Underground Installation Contract

**<u>Staff Contact:</u>** Blake Toliver, Superintendent of Electric Operations

**Summary:** The city received competitive bids for constructing the Westview Drive UG project on July 9, 2024 at 2 p.m. A total of two (2) bids were collected and received on time. A summary of bids is shown below:

Contractor	Base Price	Clarifications
JF Electric	\$1,719,565.00	Yes
Tri-City Electric Co.	\$1,695,520.00	Yes

The bid from Tri-City Electric was the apparent low bid for Specification 3219K001 which included some clarifications and exceptions, but none of which should impact it being the low bid. The bid does include material escalator language due to the actively changing material pricing. It is important to note that JF Electric's bid was originally \$1,623,655, but that did not include any of the transformer pricing. On July 17, 2024, they followed up with the transformer pricing at \$95,900 which brings the total base bid to the amount in the table above. Tri-City Electric Co. companies have a good list of reference completed projects and have completed projects in Rochelle, IL. The company appears to be in good standing and employs certified and trained craftsmen.

The Tri-City Electric Co.'s bid is higher than the engineers estimate for the project of \$666,000 completed on 04/13/23. While both bids are high, they are very close which could reflect new market pricing and the volatility in material and installation pricing. Assuming Rochelle Municipal Utilities will still view this project a priority even

with the bid price higher than expected, BHMG recommends awarding the contract to Tri-City Electric Co. for the installation with it being the low bid.

## **Funding Sources:**

Source:	Budgeted Amount:	Proposed Expenditure:
Electric Funds	\$11,900,000	\$1,695,520

**<u>Recommendation</u>**: Approve an Ordinance Accepting the bid from Tri-City Electric Company for the Westview Drive Underground Installation Contract