

VILLAGE OF CHATHAM, ILLINOIS

ORDINANCE NO. 08 - 03

AN ORDINANCE APPROVING A BID FOR
INDEPENDENCE SUBSTATION EQUIPMENT

ADOPTED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE
OF CHATHAM, ILLINOIS THIS 22ND DAY OF JANUARY, 2008

Published in pamphlet form by the authority of the President and
Board of Trustees of the Village of Chatham, Sangamon County,
Illinois, this 22nd day of January, 2008.

ORDINANCE NO. 08-03

AN ORDINANCE APPROVING BIDS FOR
INDEPENDENCE SUBSTATION EQUIPMENT

WHEREAS, the Village of Chatham sought and obtained bids to be opened on January 18, 2008 for substation structures and equipment Contract 98-07-02 and substation control building and system relay & control panels Contract 98-07-03 all for the new Independence Substation; and

WHEREAS, the bids were opened and evaluated in accordance with Project Manual Volume 1 Contract by Staff and PCI Management Consulting Company. The lowest responsible bidders were identified; and

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, ILLINOIS, AS FOLLOWS:

SECTION 1: That the bid from Distran Packaged Substations, LLC for the Substation Structures & Equipment for a price of \$409,300 and the bid from SEL, Inc. for the Substation Control Building and System Relay & Control Panels for a price of \$248,483 is hereby approved.

SECTION 2: This Ordinance is effective upon its passage and approval.

PASSED THIS 22nd DAY OF JANUARY, 2008

Thomas S. Gray

Thomas S. Gray, President
Village of Chatham

ATTEST:

Pat Schad
Pat Schad, Village Clerk

AYES: 6 HERR, SCHATEMAN, BOYLE
REYNOLDS, McGRATH, KAVANAGH
NAYS: 0
ABSENT: 0

PASSED: 1-22-08
APPROVED: 1-22-08



ORDINANCE CERTIFICATE

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

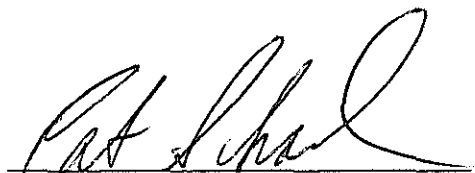
I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the Ordinance attached hereto is a full, true, and exact copy of Ordinance No. 08 -03, adopted by the President and Board of Trustees of said Village on the 22nd day of January, 2008, said Ordinance being entitled:

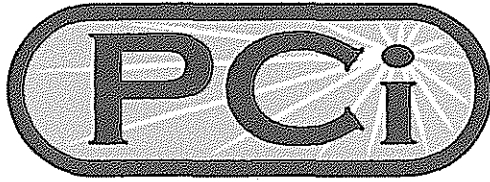
**AN ORDINANCE APPROVING BIDS FOR
INDEPENDENCE SUBSTATION EQUIPMENT**

I do further certify that prior to the making of this certificate, the said Ordinance was spread at length upon the permanent records of said Village, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 22ND day of January, 2008.


Pat Schad, Village Clerk





PCI MANAGEMENT & CONSULTING COMPANY

1325 WILEY ROAD, SUITE 158 - SCHAUMBURG, IL 60173

847/885-3400 - FAX: 847/885-3481 - PCI@PCIENERGY.COM

January 22, 2008

Mr. Del McCord
Administration & Utilities Director
Village of Chatham
116 E. Mulberry
Chatham, IL 62629

Subject: **Bid Analysis and Recommendation**
Project Manual Volume – Substation Control Building and System Relay & Control Panels
Contract 98-07-03

Dear Mr. McCord:

PCI Management & Consulting Company ("PCI") has completed its analysis of proposals received for the Substation Control Building and System Relay & Control Panels in connection with the Independence Substation and Existing System Upgrades Project ("Project").

Bid Evaluation Summary

Proposals were requested from six pre-qualified companies:

1. Border States Electric ("BSE").
2. Carter & Crowley ("Carter").
3. Electrical Power Products ("EPP").
4. Powell c/o Weldy-Lamont Associates, Inc. ("Powell").
5. Powercon, Inc. ("Powercon").
6. SEL, Inc. ("SEL").

Recommendation

Based upon the review of the proposals, it is recommended that the contract for the supply of the Substation Control Building and System Relay & Control Panels be awarded to SEL for the price of \$248,483.00, inclusive of freight charges (F.O.B. Jobsite). It is not recommended that the on-site erection technical support or the payment and performance bonds be included with the order at this time. The on-site erection technical support will be investigated further after award and either added to the order or included as part of the installing contractor's scope or work.

Summary of Bid Analysis

Both EPP and SEL submitted a detailed proposal for the supply of the Substation Structures & Equipment in accordance with the request for proposal (Project Manual – Substation Control Building and System Relay & Control Panels) and subsequent Addenda Nos. 1 through 5, 5-Correction and 6. Carter supplied a bid, however it was deemed non-responsive and as such was

not included in the evaluation. Both the EPP and SEL proposals were subjected to a complete analysis, including requests for additional information and clarification, and the analysis of additional information and clarification submittals. Detailed analysis of proposals is usually necessary because the prices provided by the bidders are not comparable as proposed due to differences in the (i) installation technical supervision scope; (ii) freight scope; (iii) delivery lead time; and (iv) warranty period, if applicable. As a result, the analysis included the following:

1. Comparison and cost adjustment to equalize the scope of the installation supervision. It is recommended that this option be included in the scope of the Substation Structures & Equipment supply (see table below).
2. Comparison and cost adjustment to include freight costs, as applicable (see table below).
3. Comparison and cost adjustment to account for differences in delivery lead times (not included in table below).

From the detailed analysis, the original bid prices, and any required adjustments noted above, are summarized in the table below:

ITEM	EPP	SEL
Substation Control Building – Steel Construction.	\$134,342.00	\$168,879.00 Not Included in Total Bid Price
Substation Control Building – Reinforced Concrete (Option).	Not Provided	\$129,721.00
138 kV & 12.47 kV System Relay & Control Panels.	\$117,349.00	\$118,762.00
Provisions for shipment, delivery and/or system relay and control panel installation, if applicable.	Not Applicable	Not Applicable
On Site Erection Technical Support, including Travel and Expenses (5 days on site).	\$5,000 Not Included in Total Bid Price	\$ 11,350.00 Not Included in Total Bid Price
Additional Erection Technical Support If Deemed Necessary by Bidder.	Not Applicable	Not Applicable
Performance Bond and Payment Bond, each in the Full Amount of the Total Bid Price.	Included	\$ 1337.00 Not Included In Total Bid Price
Total Bid Price	\$251,681.00	\$248,483.00
LEAD TIME (WEEKS)		
Transmission Line Dead End Pole	21-23 Weeks	19 Weeks or Sooner
Balance of Material and Equipment Delivery	21-23 Weeks	19 Weeks or Sooner

In summary, PCI recommends that the contract for the supply of the Substation Control Building and System Relay & Control Panels be awarded to SEL based upon the factors below:

- SEL provided the lowest evaluated bid in accordance with the request for proposal.
- SEL provided the most complete technical and comprehensive proposal.

- The SEL bid price is within the budgetary estimate for the Substation Control Building and System Relay & Control Panels.
- SEL provided a delivery lead time favorable to the current schedule of the Project.
- The building construction quoted by SEL is of pre-cast concrete construction, providing a more aesthetically pleasing appearance.
- SEL is the original equipment manufacturer of many of the protective relays associated with the system relay and control panels, and as such includes beneficial services at no additional cost.

Upon agreement and acceptance, please sign and return a copy of this bid analysis and recommendation for our files.

Sincerely,
PCI MANAGEMENT & CONSULTING COMPANY

Scott P. Farley

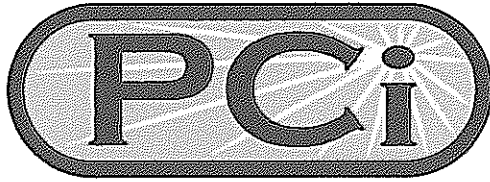
Scott P. Farley
Project Manager

Acknowledged and Agreed To by the Village of Chatham:



Del McCord, Administration & Utilities Director

Date: *January 22, 2008*



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1325 WILEY ROAD, SUITE 158 - SCHAUMBURG, IL 60173

847/885-3400 - FAX: 847/885-3481 - PCI@PCIENERGY.COM

January 22, 2008

Mr. Del McCord
Administration & Utilities Director
Village of Chatham
116 E. Mulberry
Chatham, IL 62629

Subject: **Bid Analysis and Recommendation**
Project Manual Volume – Substation Structures & Equipment
Contract 98-07-02

Dear Mr. McCord:

PCI Management & Consulting Company ("PCI") has completed its analysis of proposals received for the Substation Structures & Equipment in connection with the Independence Substation and Existing System Upgrades Project ("Project").

Bid Evaluation Summary

Proposals were requested from six pre-qualified companies:

1. Associated Substation Engineering, Inc. ("ASE").
2. Border States Electric ("BSE")
3. Distran Packaged Substations, LLC ("Distran").
4. Hamby Young ("Hamby").
5. MD Henry Co., Inc. ("MDH").
6. Peak Substation Services ("Peak").

Recommendation

Based upon the review of the proposals, it is recommended that the contract for the supply of the Substation Structures & Equipment be awarded to Distran for the price of \$409,300.00, inclusive of freight charges (F.O.B. Jobsite), and inclusive of both a payment bond and a performance bond, each in the full amount of the bid price. It is not recommended that the on-site erection technical support or the payment and performance bonds be included with the order at this time. The on-site erection technical support will be investigated further after award and either added to the order or included as part of the installing contractor's scope or work.

Summary of Bid Analysis

Both ASE and Distran submitted a detailed proposal for the supply of the Substation Structures & Equipment in accordance with the request for proposal (Project Manual – Substation Structures & Equipment) and subsequent Addenda Nos. 1 through 6. Peak intended to supply a bid, however advised at the last minute that a miscommunication on their side prevented them from doing so. Both the ASE and Distran proposals were subjected to a complete analysis, including requests for

additional information and clarification, and the analysis of additional information and clarification submittals. Detailed analysis of proposals is usually necessary because the prices provided by the bidders are not comparable as proposed due to differences in the (i) installation technical supervision scope; (ii) freight scope; (iii) delivery lead time; and (iv) warranty period, if applicable. As a result, the analysis included the following:

1. Comparison and cost adjustment to equalize the scope of the installation supervision. It is recommended that this option be included in the scope of the Substation Structures & Equipment supply (see table below).
2. Comparison and cost adjustment to include freight costs, as applicable (see table below).
3. Comparison and cost adjustment to account for differences in delivery lead times (not included in table below).

From the detailed analysis, the original bid prices, and any required adjustments noted above, are summarized in the table below:

ITEM	ASE	Distran
138 kV Transmission Line Dead-End Structure and appurtences as described in Section 6.0, Item 6.1 of Specification No. 06098.1-SSE – Structure Constructed of Galvanized Steel.	\$62,400.00	\$ 31,363.00
All Substation Structures & Equipment as described in Section 6.0 (except for Item 6.1), of Specification No. 06098.1-SSE – Structure Constructed of Galvanized Steel.	\$347,000.00	\$377,374.00
138 kV Transmission Line Dead-End Structure and appurtences as described in Section 6.0, Item 6.1 of Specification No. 06098.1-SSE – Structure Constructed of Aluminum (Option).	Not Available	Not Provided
All Substation Structures & Equipment as described in Section 6.0 (except for Item 6.1), of Specification No. 06098.1-SSE – Structure Constructed of Aluminum (Option).	\$427,000.00 Option not Included in Total Bid Price	Not Provided
On Site Erection Technical Support, including Travel and Expenses (5 days on site).	\$6,000 Not Included in Total Bid Price	Not Provided
Additional Erection Technical Support If Deemed Necessary by Bidder.	\$3,950 Per Day Not Included in total bid price	\$2,500 Per Day Not Included in total bid price
Performance Bond and Payment Bond, each in the Full Amount of the Total Bid Price.	\$ 1,000.00 Not Included in Total Bid Price	\$ 4,700.00 Not Included in Total Bid Price
Total Bid Price	\$409,400.00	\$409,300.00
LEAD TIME (WEEKS)		
Design Calculations	6-10 Weeks	Not Provided
Structure Drawings	12-14 Weeks	Not Provided
Transmission Line Dead End Pole	14-18 Weeks	17-18 Weeks
Balance of Material and Equipment Delivery	14-18 Weeks	20-22 Weeks

In summary, PCI recommends that the contract for the supply of the Substation Structures & Equipment be awarded to Distran based upon the factors below:

- Distran provided the lowest bid price in accordance with the request for proposal.
- The Distran bid price is within the budgetary estimate for the Substation Structures & Equipment.
- Distran provided a delivery lead time favorable to the current schedule of the Project.

Upon agreement and acceptance, please sign and return a copy of this bid analysis and recommendation for our files.

Sincerely,
PCI MANAGEMENT & CONSULTING COMPANY

Scott P. Farley

Scott P. Farley
Project Manager

Acknowledged and Agreed To by the Village of Chatham:

Del McCord

Del McCord, Administration & Utilities Director

Date: *January 22, 2008*