



CITY COUNCIL AGENDA ITEMS

To: Mayor Graham and City Council
From: Dennis Sullivan, Director of Engineering & Public Works
Walter Denton, City Administrator
Date: October 11, 2007
Subject: RESOLUTION – Wastewater Treatment Plant (WWTP)
Generators Installation

List of Committees that have reviewed: None

Background: The City of O'Fallon has generators and switch gear on order under a previous bid and contract, but installation was not included to avoid a general contractor's mark-up for supplying that equipment. With the generators to be received, now a known quantity, a separate contract for installation is needed. Two of the bids received were considerably under the engineer's estimate of \$250,000. The low bidder, however, submitted with his bid a caveat that he may need to revise his bid based on copper prices at the time of his signature on the contract. Copper prices are currently fluctuating dramatically on the national and world market. Despite that the City will not accept anything other than what was bid at the public bid opening. If the low bidder will not honor his bid without the caveat, then staff will not allow execution of a contract with him.

Legal Considerations, if any: Non-acceptance of the low bid, if the low bidder were to insist on his unilateral submission of additional costs based on copper price increases.

Budget Impact: The cost of the generator installation was included in the approved FY08 budget.

Staff recommendation: Staff recommends acceptance of the low bid (\$186,000), unless, the bidder (RL Electrical Service) requests additional money to cover copper price increases. If that occurs, then staff recommends the Mayor be allowed to sign a contract with the next lowest bidder (\$214,840) Rakers Electric.