



CITY COUNCIL COMMUNICATION

TO: Mayor and Council
FROM: Jenny Howard, Utility Director
SUBJECT: Priority Pole Replacement Phase I – Award Construction Contract
DATE: Monday, October 9, 2017 at 6:00 p.m.

Purpose and Recommended Action:

This project consists of the replacement approximately 106 poles on 12.47/7.2 kV overhead distribution lines, to include the supply of necessary labor, materials, and equipment. Funding for the project will be provided from the current City Council adopted budget for the Electric Division Capital Improvements. Council approved the use of contingency funds to immediately prepare and implement a priority pole replacement plan on June 12, 2017.

It is the recommendation of Transmission and Distribution Services, LLC and the Utility Director that the City Council award the project to E.W. Parker in the amount of \$649,622.00. We also request that Council approve utilizing \$209,622 from the 8th Avenue Rebuild project to cover the overage. We will immediately rebid the 8th Avenue project. Please see enclosed recommendation from T&D Services.

Background:

In January 2017, the City of Safford contracted with Alamon Telco, Inc. to perform a pole attachment audit and pole testing. Alamon performed a full inspection and testing on 3,857 poles and performed. At the conclusion in May, of the 3,857 poles testing, 311 are priority reject and it was decided to immediately prepare and implement a pole replacement plan, focusing on the 311 priority reject poles.

Analysis:

In August 2017, following formal bidding procedures, we solicited bids, bids were due on September 19, 2017; three proposals were received and they are summarized below:

<u>Bidder</u>	<u>Bid Amount</u>
EW Parker Enterprises, LLC	\$649,622.00
Wilson Utility Construction	\$1,197,421.75
Strategic Construction Solutions	\$1,129,095.00

Budget Recap:

Priority Pole Budget \$440,000	8 th Avenue Budget: \$450,000
Low Bid \$649,622	Funds to Cover Overage: (\$209,622)
Balance: (\$209,622)	8 th Avenue Balance: \$240,378