

**COUNCIL ACTION FORM**

**SUBJECT: ELECTRIC SERVICES INVENTORY CABLE PURCHASE**

**BACKGROUND:**

This bid is for the purchase of 6,000 feet of 500 KCMIL compact copper wire and 3,000 feet of 4/0 copper wire to meet the annual construction needs of the Electric Services Department.

This cable and wire are standard Electric Services Department inventory items. Inventory items are purchased from an Electric Department inventory asset account and charged to the appropriate operations expense/project accounts as the materials are taken out of inventory and put into the various work orders.

Bids for these materials were received on January 23, 2013, as shown on the attached report. All bids for cable are subject to reel length variances, usually 5% - 10%, to allow for factory over/under runs during production. Three bids were received as shown on the attached spreadsheet.

The Electric Engineering Manager has reviewed the bids and determined that the low bid from Wesco Distribution, Des Moines, Iowa, meets the needs of the Electrical Services Department for the 500 KCMIL compact copper cable and the low bid from RESCO, Ankeny, Iowa, meets the needs for the 4/0 copper wire. The low bid submitted by Wesco is subject to a metals escalation/de-escalation that will be determined at the day of order placement.

**ALTERNATIVES:**

1. Award a contract for the purchase of 6,000 feet of 500 KCMIL compact copper cable to the low bidder, Wesco Distribution, Des Moines, Iowa, subject to reel length variances, at an estimated total cost of \$65,640 plus applicable sales taxes and 3,000 feet of 4/0 copper wire to the low bidder, RESCO Distribution, Ankeny, Iowa, subject to reel length variances, at an estimated total cost of \$11,000.10 plus applicable sales taxes.
2. Reject all bids and delay Electric Services work orders.

**MANAGER'S RECOMMENDED ACTION:**

This purchase will provide for the annual construction needs of the Electric Services Department for aluminum cable.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the award of contract to Wesco Distribution, Des Moines, Iowa, subject to reel length variances, at an estimated total cost of \$65,640 plus applicable sales taxes and 3,000 feet of 4/0 copper wire to the low bidder, RESCO Distribution, Ankeny, Iowa, subject to reel length variances, at an estimated total cost of \$11,000.10 plus applicable sales taxes.

INVITATION TO BID 2013-105

BIDDERS	500 KCMIL Compact Copper Unit Cost	Quantity 6,000 Feet Total	4/0 Copper Wire Unit Cost	Quantity 3,000 Feet Total	Notes
WESCO	<b>\$10.9400</b>	<b>\$65,640.00</b>	\$4.4200	\$13,260.00	Metal escalation/de-escalation at time of order placement, specification exception approved
WESCO	\$12.6400	\$75,840.00			Per specification
RESCO	\$12.6745	\$76,047.00	<b>\$3.6667</b>	<b>\$11,000.10</b>	Metal escalation/de-escalation at time of order placement
FLETCHER REINHARDT		No Bid	\$4.3960	\$13,188.00	Firm price