

COUNCIL ACTION FORM

SUBJECT: AWARD OF CONTRACT FOR AMES PLANT AREA SUBSTATIONS EQUIPMENT COMMISSIONING

BACKGROUND:

Two separately budgeted Capital Improvement Plan projects will occur at the Ames Plant electric substation. One is for the Ames Plant Switchyard, which includes the replacement of 69kV switchyard relay and controls, breakers and associated equipment. The other is at the adjoining Ames Plant Distribution Substation, which includes switchgear replacement and a feeder.

This contract will supply the testing services needed to commission the new electrical substation facilities installed as a part of this project. This includes testing of all 69kV switches, instrument transformers, breakers, power transformers and relays, as well as switches, breaker and relays within the substation.

On November 8, 2013, a request for proposal (RFP) document was issued to eight firms for proposals. The RFP was advertised on the Current Bid Opportunities section of the Purchasing webpage and was also sent to one plan room. On December 11, 2013, staff received competitive proposals from three firms.

These proposals were then evaluated by a staff committee composed of an electrical engineer, the electrical engineering manager and a technical services technician. The committee members independently evaluated and scored all three proposals based on price, offeror's technical proposal and references.

Based on the matrix, the averaged scores were as follows:

OFFERORS	AVERAGE SCORE	PRICE
L & S Electric Inc., Coon Rapids, MN	908	\$152,435.00
Shermco Industries Inc., Des Moines, IA	648	\$174,000.00
KJWW Engineering Inc., Chicago, IL	622	\$229,800.00

Each score was based on a scale of 1 to 10. Overall, 1,000 possible points were available cumulatively for each company that responded.

Based on the average scores and a unanimous decision by the evaluation committee, it is recommended that this contract be awarded to L & S Electric Inc., Coon Rapids, MN, for \$152,435. There was no specific engineer's estimate on this portion of the project.

The approved FY2013/14 CIP for Electric Services includes \$1,700,000 for engineering, materials and construction under the Ames Plant 69kV Switchyard Relay and Control Replacement project, with Iowa State University contributing an estimated \$319,600 to the cost.

To date the Ames Plant Switchyard project budget has the following items encumbered:

\$1,700,000.00	Amount Budgeted for Project
\$122,700.00	Encumbered Engineering for Ames Plant Switchyard (Approved by City Council on April 24, 2012.)
\$39,500.00	Contract Change Order to Engineering for Ames Plant Switchyard (Approved administratively on October 8, 2013)
\$56,377.25	Actual cost for SF6 circuit breakers (Awarded on July 13, 2013)
\$122,868.40*	Actual cost for electrical materials (Awarded by City Council on July 23, 2013) *This amount includes applicable sales taxes to be paid directly by Ames to the State of Iowa.
\$198,469.55	Actual cost for Ames Plant Substation control panels (Awarded by City Council on September 10, 2013)
\$372,460.40	Actual cost for materials installation phase for the Ames Plant Switchyard Project (Awarded by City Council on September 24, 2013)
\$7,809.00	Contract Change Order No. 1 to materials installation phase for the Ames Plant Switchyard Project (Approved administratively on December 5, 2013)
\$125,000.00	Estimated cost for Control Panels for Haber Road Substation (Council approved plans and specifications to issue bids on December 17, 2013)
\$152,435.00	Award of contract to L & S Electric, Inc., Coon Rapids, MN, for the Ames Plant Area Equipment Commissioning (This Council Action)
<u>\$1,222,619.60</u>	Total committed to Date
\$477,380.40	Balance available to complete project (Relay and Controls equipment and installation at the Dayton and Stange substations.)

ALTERNATIVES:

1. Award a contract to L & S Electric, Inc., Coon Rapids, MN, for the Ames Plant Area Equipment Commissioning in the amount of \$152,435.
2. Reject all proposals and direct staff to re-issue the Requests for Proposal.

MANAGER'S RECOMMENDED ACTION:

This contract is necessary to complete the projects at the Ames Plant substation. This project will help move customer loads off the Power Plant bus and help to limit exposure of the Power Plant bus to distribution faults, thereby improving Power Plant reliability. By installing modern, programmable relays and updated controls in these locations, long-term reliability can be improved by eliminating the obsolete and maintenance-intensive electromechanical relays and the aged, lengthy control circuits that are no longer accessible for repair.

These projects are necessary for Electric Services to continue providing safe, reliable, service to the customers in the City.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.