ITEM # __19___
DATE: 03-25-14

COUNCIL ACTION FORM

SUBJECT: **ENGINEERING SERVICES FOR 69KV SUBSTATION PANEL AND TRANSMISSION LINE TERMINAL UPGRADES**

BACKGROUND:

There are two upcoming projects affecting electrical substations. Staff has consolidated the required engineering services portions of these projects into a single request for proposal (RFP). A single RFP allows staff to procure these services more efficiently, since each project requires similar qualifications from engineering firms.

This portion of the project is for the engineering which involves the analysis, design, drawings, specifications development, construction contract preparation, and detailed cost estimates for each of the two projects. The scope of work also requires the engineering firm to provide an approved bidders list for all major equipment purchases and a detailed engineer's estimate. In addition, the selected firm will provide construction management services for both projects.

Project 1: Dayton Avenue Substation Relay Panel Upgrades:

Three existing panels with electromechanical relays are to be replaced at the Dayton Substation. These panels provide relay protection and controls for the transmission line terminal breaker, the circuit switcher that protects the distribution transformer, and the substation bus panel.

Project 2: Stange Road 69kV Substation Relay Panel and Circuit Breaker Upgrades:

Four existing panels with electromechanical relays are to be replaced at the Stange Road 69kV Substation. These panels provide relay protection and control for two transmission terminal breakers, a circuit switcher which protects the distribution transformer, and the substation bus panel. Two of the 69kV line terminal breakers are presently single tank oil breakers and are to be replaced with SF6 circuit breakers.

On February 18, 2014, the RFP was issued to fifteen 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 March 7, 2014, staff received proposals from seven firms. These proposals were then sent to a committee for evaluation. The committee consisted of a Power Plant Operations Superintendent, the Electrical Engineering Manager, and an Electrical Engineer. The committee members independently evaluated and scored all seven of the proposals in two steps.

STEP 1:

The proposals were evaluated based on compliance with proposal documents and the exceptions each offeror took to the proposal. Each of those two criteria was rated on a Pass / Fail basis.

STEP 2:

The proposals were evaluated based on: 1) price; 2) completeness of proposal and knowledge, capabilities, skills and abilities of the proposed team based on the information submitted; and 3) the firm's experience list with similar projects

Based on the matrix, the averaged scores in this step are shown below:

Offerors	Averaged Scores	Not to Exceed Amount
Black & Veatch Corporation Overland Park, KS	**804**	**$113,514.00**
Dewild Grant Reckert & Associates Company Rock Rapids, IA	770	$141,200.00
Sega Inc., Overland Park, KS	715	$170,550.00
Stanley Consultants, Inc. Des Moines, IA	668	$201,682.00
Power System Engineering, Inc. Des Moines, IA	648	$184,980.00
Electrical Consultants, Inc., Madison, WI	623	$248,770.00
R.G. Vanderweil Engineers, LLP Syracuse, NY	Fail	

Each score was based on a scale of 1 to 10. Overall, 1,000 possible points were available cumulatively for each firm that responded. The overall weighted score was a function of the aforementioned factors of price, knowledge/capabilities (including understanding of scope and responsiveness to the RFP), and experience.

The proposal submitted from R.G. Vanderweil Engineers, LLP failed because of non-compliance with requirements of the proposal document.

Based on the averaged scores and a unanimous decision by the evaluation committee, staff is recommending that a contract be awarded to Black & Veatch Corporation, Overland Park, Kansas, for an amount not to exceed $113,514. Payments would be calculated on unit prices bid for actual work performed.

The funds for this engineering services work are contained within the CIP budget for the Ames Plant 69kV Switchyard Relay and Control replacement. To date, the project budget has the following items encumbered:

$1,700,000.00	**Amount Budgeted for Project**
$162,200.00	Encumbered Engineering for Ames Plant Switchyard (includes change orders 1 and 2)
$56,377.25	Actual cost for SF6 circuit breakers
$122,868.40*	Actual cost for electrical materials (*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.
$397,069.40	Actual cost for materials installation phase for the Ames Plant Switchyard Project (includes change order 1 & 2)
$98,755.20	Actual cost for Control Panels for Haber Road Substation (includes change order 1)
$152,435.00	Actual cost of Ames Plant area commissioning
$113,514.00	**Engineering Services for Dayton Avenue and Stange Road Substation Relay and Control Panels (This Item)**
$1,301,688.80	**Total committed to Date**
$398,311.20	Amount available to complete project. (Relay and Controls equipment and installation at the Dayton and Stange substations)

ALTERNATIVES:

1. Award a contract to Black & Veatch Corporation, Overland Park, Kansas, for the Engineering Services for 69kV Substation Panel and Transmission Line Terminal Upgrades in an amount not to exceed $113,514.

2. Reject all proposals and delay the engineering for 69kV substation panel and transmission line terminal upgrades.

MANAGER'S RECOMMENDED ACTION:

These projects are necessary for Electric Services to continue providing safe, reliable, service to the customers in the City. By installing modern, programmable relays and updated controls in this location, long-term reliability can be improved by eliminating the obsolete and maintenance-intensive electro-mechanical relays and aged, lengthy control circuits that are no longer accessible for repair.

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