

COUNCIL ACTION FORM

**SUBJECT: SWITCHGEAR AND CONTROL PANELS - AMES PLANT
DISTRIBUTION SUBSTATION**

BACKGROUND:

On January 28, 2014, City Council approved preliminary plans and specifications for furnishing 15kV Outdoor Metalclad Switchgear for Ames Plant Distribution Substation project.

Bid documents for this project were issued to twenty firms. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published in the Ames Tribune. The bid was also sent to two plan rooms.

On March 12, 2014, six bids were received as shown on the attached report. The bid submitted by Siemens Industry, Inc. was found to be non-responsive because they did not fill out and provide a signature on the bid submittal form, which was a mandatory requirement.

Electric Services staff and an engineer from Dewild Grant Reckert & Associates (DGR) Company reviewed the remaining five bids and concluded that the apparent low bid submitted by Central Electric Manufacturing Company, DBA: AZZ Switchgear Systems, Fulton, MO, in the amount of \$509,831.13 (inclusive of Iowa sales tax), is acceptable.

The engineer's estimate of the cost of these control panels was \$425,000. DGR explains that bid prices are overall higher than the estimate due to diminished competition from regional switchgear suppliers from recent acquisitions.

The approved FY2013/14 Capital Improvements Plan for Electric Services includes \$1,160,000 for engineering, materials, and construction of the Ames Plant Distribution Substation Feeder and Switchgear Extension project. To date, the project budget has the following items encumbered:

Ames Plant Distribution Substation

\$1,160,000.00	Amount Budgeted for Project
\$210,000.00	Encumbered Engineering for Ames Plant Distribution Substation
\$112,754.50	Actual cost for SF6 circuit breakers.
\$9,466.00*	Actual cost for electrical materials. *This amount includes applicable sales taxes to be paid directly by the City to the State of

	Iowa.
\$260,012.56	Actual cost for materials installation phase for the Ames Plant Distribution Substation Project. (includes change order 1)
\$509,831.13	Actual cost for the purchase of the 15kV Outdoor Metalclad Switchgear and 69kV Controls Panels – this item (pending Council of award for this agenda item)
<u>\$1,102,064.17</u>	Total estimated costs
\$57,935.81	Balance remaining

ALTERNATIVES:

1. Award a contract to Central Electric Manufacturing Company, DBA: AZZ Switchgear Systems, Fulton, MO, for the furnishing 15kV Outdoor Metalclad Switchgear and 69kV Controls Panels for Ames Plant Distribution Substation in the amount of \$509,831.13 (inclusive of Iowa sales tax).
2. Reject all bids and delay the purchase of this equipment for this project.

MANAGER'S RECOMMENDED ACTION:

This equipment is the last element needed to complete the project at the Ames Plant distribution substation. The project is necessary for Electric Services to continue providing safe, reliable, service to customers across the City.

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



INVITATION TO BID NO. 2014-150 FURNISHING 15KV OUTDOOR METALCLAD SWITCHGEAR AND 69KV CONTROL PANELS FOR AMES PLANT DISTRIBUTION SUBSTATION BID SUMMARY

BIDDER:		Central Electric Manufacturing Company, DBA: AZZ Switchgear Systems Fulton, MO	Harold K. Scholz Co Ralston, NE	Powercon Corp. Severn, MD	Eaton Corp Omaha, NE	ABB Inc. Lake Mary, FL	Siemens Industry, Inc. Wendell, NC
DESCRIPTION	QTY	PRICE	PRICE	PRICE	PRICE	PRICE	PRICE
15 kV outdoor metalclad switchgear, with one (1) 2,000 A, and five (5) 1,200 A breakers, PT's, CT's, controls, relaying, testing, drawings, and enclosure accessories	1	\$414,215.00	\$428,000.00	\$500,243.00	\$490,936.00	\$599,780.00	Non-Responsive. Did not fill out and provide signature on last page of bid form.
Control Panel P1, "Breaker AP614 & Transformer AP6T1 Panel"	1	\$29,122.00	\$30,000.00		\$20,000.00	\$39,330.00	
Control Panel P2, "Breaker AP615 & Transformer AP6T6 Panel"	1	\$29,122.00	\$29,000.00		\$20,000.00	\$39,130.00	
SUBTOTAL:		\$472,459.00	\$487,000.00		\$500,243.00	\$530,936.00	
SALES TAX (7%):		\$33,072.13	\$34,090.00	\$35,017.01	\$37,165.52	\$47,476.80	
FREIGHT (NON-TAXABLE):		\$4,300.00	\$20,000.00	\$25,000.00	\$5,000.00	\$12,570.00	
TOTAL BASE BID:		\$509,831.13	\$541,090.00	\$560,260.01	\$573,101.52	\$738,286.80	
Outdoor Metalclad Switchgear Mfr.		AZZ Switchgear Systems	H.K. Scholz	Powercon Corp.	Eaton Corp	ABB Inc. /AZZ	
Control Panel Mfr.		AZZ Switchgear Systems	H.K. Scholz	Powercon Corp.	Eaton Corp	Kemco	
Delivery Date		Oct 30, 2014 if rec. order by April 17, 2014	Oct. 31, 2014	Ship Oct. 14, 2014	Nov. 20, 2014	Oct 31, 2014 if rec. order by March 25, 2014	
Security Enclosed		Included	Included	Included	Included	Included	