

**COUNCIL ACTION FORM**

**SUBJECT: AWARD OF CONTRACT FOR FURNISHING 69KV SF6 CIRCUIT BREAKERS**

**BACKGROUND:**

On August 26, 2014, City Council approved preliminary plans and specifications for furnishing 69 kV SF6 Circuit Breakers. Bid documents were issued to seven 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. It was also sent to one planroom.

On September 25, 2014, two bids were received as shown on the attached report. Staff has reviewed the bids and concluded that the apparent low bid (including Base and Option bids) submitted by Alstom Grid, Inc., Charleroi, PA, in the amount of \$166,169.40 is acceptable.

The Engineer's estimate of the cost for four circuit breakers is \$200,000. Funding is available from the FY 2014/15 maintenance account for Minor Substation Improvements.

**ALTERNATIVES:**

1. Award a contract to Alstom Grid, Inc., Charleroi, PA, to furnish four 69kV SF6 Circuit Breakers in the amount of \$166,169.40 (inclusive of Iowa sales tax).
2. Award a contract to the other bidder.
3. Reject all bids and delay the purchase of the circuit breakers.

**MANAGER'S RECOMMENDED ACTION:**

The purchase of this equipment is necessary to replace antiquated three-tank oil circuit breakers. Replacement parts for these circuit breakers are becoming more difficult to procure and repair work more costly to perform. The replacement of these breakers will reduce the risk of oil leakage should the circuit breaker fail. They will also improve the reliability and speed of response of the protection schemes on this portion of the electric transmission system.

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



**INVITATION TO BID NO. 2015-037 FURNISHING 69KV SF6  
CIRCUIT BREAKERS**

<b>BIDDER:</b>	<b>Alstom Grid, Inc., Charleroi, PA</b>			<b>Mitsubishi Electric Warrendale, PA</b>		
<b>BASE:</b>						
<b>DESCRIPTION</b>	<b>QTY</b>	<b>UNIT PRICE</b>	<b>TOTAL</b>	<b>QTY</b>	<b>UNIT PRICE</b>	<b>TOTAL</b>
69kV SF6 Circuit Breakers	3	\$38,105.00	\$114,315.00	3	\$52,175.00	\$156,525.00
Subtotal:		\$114,315.00			\$156,525.00	
Sales or Use Tax (7%):		\$8,002.05			\$10,956.75	
Non-Taxable Freight		\$2,310.00			\$1,650.00	
<b>Total Base Bid:</b>		<b>\$124,627.05</b>			<b>\$169,131.75</b>	
<b>OPTION:</b>						
<b>DESCRIPTION</b>	<b>QTY</b>	<b>UNIT PRICE</b>	<b>TOTAL</b>	<b>QTY</b>	<b>UNIT PRICE</b>	<b>TOTAL</b>
69kV SF6 Circuit Breakers	1	\$38,105.00	\$38,105.00	1	\$52,175.00	\$52,175.00
Subtotal:		\$38,105.00			\$52,175.00	
Sales or Use Tax (7%):		\$2,667.35			\$3,652.25	
Non-Taxable Freight		\$770.00			\$550.00	
<b>Total Option Bid:</b>		<b>\$41,542.35</b>			<b>\$56,377.25</b>	
<b>OVERALL:</b>		<b>\$166,169.40</b>			<b>\$225,509.00</b>	