

COUNCIL ACTION FORM

**SUBJECT: ACCEPTANCE OF SUBSTATION ELECTRICAL MATERIALS –
LIGHTNING ARRESTORS**

BACKGROUND

On June 11, 2013, City Council approved preliminary plans and specifications for certain electrical materials associated with the replacement of the 69kV switchyard relay controls at the Ames Plant Substation. This portion of the project is for the purchase of electrical materials consisting of 69kV Switches, Instrument Transformers, Lightning Arrestors and Steel Structures. The Engineer's estimated cost of these materials is \$175,000. A budget of \$1,700,000 is included in the 2013/14 CIP for the entire project.

On June 26, 2013, bids were received and evaluated by Electric Services staff and an engineer from Dewild Grant Reckert & Associates (DGR) Company. The recommended awards were as followed:

- Bid No. 1 69kV Switch – Hamby-Young, Aurora, OH for \$52,552.84*
- Bid No. 2 Instrument Transformers - RESCO, Ankeny, IA for \$65,779.59*
- **Bid No. 3 Lighting Arresters – Fletcher-Reinhardt Company, Bridgeton, MO for \$11,273.52***

****Award amounts for Bid No.'s 1-3 are inclusive of Iowa Sales Tax***

- Bid No. 4 Steel Structures – Galvanizers, Inc., West Fargo, ND for \$2,189.62, plus applicable sales taxes (in the amount of \$137.72) to be paid directly by the City of Ames to the State of Iowa.

The total cost of all four of these awards (including all applicable sales tax) was \$131,933.29.

Fletcher-Reinhardt Company has now delivered all of the lightning arrestors, and the Project Engineer has provided a certificate of completion for this portion of the electrical materials. One Contract Change Order was administratively approved in the amount of \$35.31 for changing the rating of six lightning arrestors from 8.4kV to 12.7kV. The total contract amount including the one change order is \$11,308.83.

ALTERNATIVES:

- 1) Accept completion of the contract for the lightning arrestors portion of the Substation Electrical Materials with Fletcher-Reinhardt Company, at a total cost of \$11,308.83, and authorize final payment to the contractor.

2) Delay acceptance of this portion of the project.

MANAGER'S RECOMMENDED ACTION:

The contractor for the lightning arrestors portion of the Substation Electrical Materials has delivered all of the materials specified under the contract. The Project Engineer has issued a certificate of completion on the work, and the City is legally required to make final payment. The City is awaiting receipt of the 69kV Switches, Instrument Transformers, Lightning Arrestors and Steel Structures yet to be delivered.

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