

**COUNCIL ACTION FORM**

**SUBJECT:**       **CONTRACT RENEWAL FOR PURCHASE OF ELECTRIC  
DISTRIBUTION TRANSFORMERS**

**BACKGROUND:**

This contract includes the purchase of Padmounted transformers and Overhead Transformers for use in Electric Services projects.

On April 23, 2013, City Council awarded a contract to RESCO of Ankeny, Iowa for the purchase of Padmounted Transformers, and to Wesco Distribution of Des Moines, Iowa, for the purchase of Overhead Transformers.

This contract had an option for the City to renew in one-year increments for up to three additional years. This option includes a provision which increases price at fixed percentages above the previous fiscal year at time of renewal. The Wesco purchases shown include a 0% increase from FY 2014/15, and the majority of the RESCO purchases shown include a 0% increase from FY 2014/15. There are 3 transformers on RESCO's list that have a price change due to new Department of Energy 2016 energy efficiency standards. These price changes are outlined in the attached table. Items in Blue are DOE 2016 unit prices that must be used for orders after September 1, 2015. These increases are in accordance with the contract terms initially established. **Council should note that this action is the second out of three possible renewals.**

Units are to be purchased as requested; and payments will be based on unit prices bid and actual quantities ordered plus applicable sales taxes. Total cost for FY 2015/16 shall not exceed the budgeted amount of \$475,000.

**ALTERNATIVES:**

1. Approve the contract renewal with RESCO of Ankeny, Iowa for the purchase of Padmounted Transformers (manufactured by ERMCO), and to Wesco Distribution of Des Moines, Iowa, for the purchase of Overhead Transformers, (manufactured by ABB) for the one-year period from April 1, 2015, through March 31, 2016.
2. Reject all renewal contracts and attempt to purchase electric distribution transformers on an as needed basis.

**MANAGER'S RECOMMENDED ACTION:**

Awarding these renewal contracts will allow for a sure supply of transformers needed for new service and for emergency replacements at a known cost. Transformers will be purchased as needed under these renewal contracts at the price(s) quoted in the bid

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

City of Ames, Iowa 2nd Renewal Period Pricing for Orders from 4/1/2015 through 3/31/2016

Please note there are no price changes for the 2nd renewal period over the previous year

Please see attached information regarding DOE 2016 Efficiency Standards

Items in BLUE are DOE 2016 units that must be used for orders after September 1, 2015

Type KVA	Est Qty	Sell Price 3/31/13 thru 4/1/14	Sell Price Renewal 4/1/14 to 3/31/15	Sell Price Renewal 4/1/15 to 3/31/16	NL	LL
<b>Group I Padmount Transformers</b>						
<b>Division 1 Single Phase Padmount 120/240 Volts</b>						
25	5	\$1,550.77	\$1,615.39	\$1,615.39	66	207
37.5	10	\$1,705.64	\$1,776.71	\$1,776.71	85	326
50	10	\$1,865.64	\$1,943.38	\$1,943.38	102	442
75	1	\$2,413.00	\$2,513.54	\$2,513.54	132	605
100	2	\$2,796.92	\$2,913.46	\$2,913.46	179	718
<b>Division 2 Three Phase Padmount Transformer 120/208 Volts</b>						
112.5	1	\$5,906.67	\$6,152.78	\$6,152.78	218	1315
112.5	1	Quote 399777-00	DOE 2016	\$6,323.70	241	1002
150	3	\$6,564.10	\$6,837.60	\$6,837.60	316	1396
225	1	\$7,970.26	\$8,302.35	\$8,302.35	386	1844
300	3	\$9,366.15	\$9,756.41	\$9,756.41	487	2377
500	3	\$11,183.59	\$11,649.57	\$11,649.57	645	4311
750	1	\$15,149.74	\$15,780.98	\$15,780.98	966	5682
<b>Division 3 Three Phase Padmount Transformer 120/208 Volts, Loop Feed Switches</b>						
112.5	1	\$7,091.28	\$7,386.75	\$7,386.75	261	970
150	5	\$7,185.64	\$7,485.04	\$7,485.04	316	1415
150	5	Quote 399777-00	DOE 2016	\$7,532.98	324	1301
225	1	\$8,647.18	\$9,007.48	\$9,007.48	357	1995
300	5	\$9,922.05	\$10,335.47	\$10,335.47	487	2387
500	3	\$11,764.10	\$12,254.27	\$12,254.27	645	4311
750	1	\$14,668.72	\$15,279.92	\$15,279.92	932	6428
750	1	Quote 399777-00	DOE 2016	\$16,826.80	834	5451
<b>Division 4 Three Phase Padmount Transformer 277/480 Volts</b>						
300	2	\$8,476.92	\$8,830.13	\$8,830.13	526	2141
500	2	\$10,876.92	\$11,330.13	\$11,330.13	830	2788
750	1	\$13,882.05	\$14,460.47	\$14,460.47	939	5170
1000	1	\$18,268.72	\$19,029.92	\$19,029.92	1260	5633
1500	1	\$20,966.15	\$21,839.74	\$21,839.74	1577	9535
<b>Division 5 Three Phase Padmount Transformer 277/480 Volts, Standard 55°C Rise</b>						
2500	2	\$32,552.82	\$33,909.19	\$33,909.19	2641	12162
<b>Group II Overhead Transformers</b>						
<b>Division 1 Single Phase Polemount 120/240 Volts</b>						
5	1	\$632.82	\$659.19	\$659.19	21	60
10	1	\$694.36	\$723.29	\$723.29	33	110
15	2	\$773.33	\$805.55	\$805.55	39	160
25	5	\$1,009.23	\$1,051.28	\$1,051.28	62	209
37.5	1	\$1,067.69	\$1,112.18	\$1,112.18	88	338
50	5	\$1,247.18	\$1,299.15	\$1,299.15	110	425
75	2	\$2,041.03	\$2,126.07	\$2,126.07	132	606
100	1	\$2,277.95	\$2,372.86	\$2,372.86	185	722
<b>Division 2 Single Phase Polemount Transformer 277/480 Volts</b>						
15	1	\$771.28	\$803.42	\$803.42	42	153
25	1	\$1,003.08	\$1,044.88	\$1,044.88	60	220
37.5	1	\$1,056.41	\$1,100.43	\$1,100.43	90	321
50	1	\$1,263.59	\$1,316.24	\$1,316.24	104	421
75	1	\$2,038.97	\$2,123.93	\$2,123.93	134	559
100	1	\$2,225.64	\$2,318.38	\$2,318.38	174	722