COUNCIL ACTION FORM

SUBJECT: AWARD OF CONTRACT TO FURNISH 15 KV SWITCHGEARS FOR THE ELECTRIC SERVICES DEPARTMENT

BACKGROUND:

This bid is for the purchase of four 15 kV switchgears will replenish inventory for the Electric Services Department. These switchgears are kept on hand in order to ensure availability of 15 kV switchgears and to replace failed 15 kV switchgears quickly. It is also necessary to meet the anticipated needs of the Electric Services Department for new construction and maintenance.

On July 17, 2015, the bid documents were issued to thirty-three companies. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage, and it was also sent to one planroom.

On July 29, 2015, five bids were received as shown below:

BIDDER	BID AMOUNT
Power Line Supply Williamsburg, IA	$59,492.00
RESCO Ankeny, IA	$59,788.82
Fletcher-Reinhardt Co. Cedar Rapids, IA	$61,679.08
WESCO Distribution Des Moines, IA	$62,333.06
Irby Utilities Eagan, MN	$62,916.00

Staff has reviewed the bids and concluded that the apparent low bid submitted by Power Line Supply, Williamsburg, IA, in the amount of $59,492.00 (inclusive of Iowa sales tax) is acceptable.

In the case of equipment purchased for inventory, there is no specific budget line associated with it. When a project requiring switchgear is implemented, the cost of the switchgear will be billed to the project budget.

ALTERNATIVES:

1. Award a contract to Power Line Supply, Williamsburg, Iowa, for the purchase of four 15kV switchgears, in the amount of $59,492.00 (inclusive of Iowa sales tax).

2. Reject all bids and attempt to purchase 15 kV switchgears on an as needed basis.

MANAGER'S RECOMMENDED ACTION:

It is important to purchase 15 kV switchgears at the lowest possible cost with minimal risk to the City. It is also imperative to have 15 kV switchgears on hand and available to meet customer needs. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.