

**COUNCIL ACTION FORM**

**SUBJECT: FURNISHING ELECTRICAL MATERIALS - TOP-O-HOLLOW  
SUBSTATION EXPANSION AND BREAKER ADDITION**

**BACKGROUND:**

On February 13, 2018, City Council approved preliminary plans and specifications for certain electrical materials associated with the expansion and breaker addition at Top-O-Hollow substation. The bid document is broken up into 4 sections – 69kV switches, Instrument Transformers, Lightning Arrestors and Steel Structures. The City can select a different bidder for each section. This allows the City to get the best pricing for each unique section.

Bid documents for this project were issued to twenty-one companies. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and was also sent to three plan rooms.

On March 27, 2018, five bids were received as demonstrated on the attached report. Electric Services staff, along with an engineer from Dewild Grant Reckert & Associates (DGR) Company, reviewed the bids. **After the initial evaluation, they determined that the bid submitted by Southern States was non-responsive because the company provided a bid for only one of two items for the 69kV switches. After further evaluation the bid submitted by Kriz-Davis for Bid's No. 2 and No. 3 was also determined to be non-responsive because the equipment they proposed did not meet the required specification.**

Staff and DGR evaluated the remaining bids and concluded that the low bids for each group are acceptable. The recommended awards are as follows:

- Bid No. 1 69kV Switches – RESCO, Ankeny, IA for \$35,755.07
- Bid No. 2 Instrument Transformers - RESCO, Ankeny, IA for \$27,895.27
- Bid No. 3 Lightning Arrestors – RESCO, Ankeny, IA for \$6,530.58
- Bid No. 4 Steel Structures – Kriz-Davis Co. - BSE, Ames, IA for \$42,003.18.

The total recommended award for all materials included in this bid is \$112,184; the engineer's estimate of the cost of this equipment was \$159,600.

The approved FY 2017/18 CIP for Electric Services includes \$1,950,000 for construction under the Top-O-Hollow Substation Expansion and Breaker Addition project. Iowa State University's (ISU) will also provide funding for this project. ISU's share of the project is based on a load-ratio-share at the time of implementation. For budgetary purposes, staff is assuming the ISU load ratio share to be 7% of the total

project cost. A table showing the current budget together with expenditures is included at the end of this Council Action From.

**ALTERNATIVES:**

1. a. Award a contract to RESCO, Ankeny, IA, for the Furnishing Electrical Materials for Top-O-Hollow Substation Bid No. 1 69kV Switches in the amount of \$35,755.07 (inclusive of Iowa sales tax).
  - b. Award a contract to RESCO, Ankeny, IA, for the Furnishing Electrical Materials for Top-O-Hollow Substation Bid No. 2 Instrument Transformers in the amount of \$27,895.27 (inclusive of Iowa sales tax).
  - c. Award a contract to RESCO, Ankeny, IA, for the Furnishing Electrical Materials for Top-O-Hollow Substation Bid No. 3 Lightning Arrestors in the amount of \$6,530.58 (inclusive of Iowa sales tax).
  - d. Award a contract to Kriz-Davis Co. - BSE, Ames, IA, for the Furnishing Electrical Materials for Top-O-Hollow Substation Bid No. 4 Steel Structures in the amount of \$42,003.18 (inclusive of Iowa sales tax).
2. Award a contract(s) to a different bidder.
  3. Reject all bids and delay the purchase of the electrical materials.

**MANAGER'S RECOMMENDED ACTION:**

This project will improve reliability of the 69kV transmission system, improve service to the customers served by this substation, improve worker safety, and provide improved protection to electrical assets from fault damage.

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

To date the Top-O-Hollow CIP project budget has the following items encumbered:

|                       |   |
|-----------------------|---|
| <b>\$1,950,000</b>    | FY 2017/18 CIP amount budgeted for construction   |
|                       | <u>H K Scholz</u>   |
| \$599,231             | Actual cost for switchgear and control panels   |
|                       | <u>RESCO</u>  |
| <b>\$35,755.07</b>    | <b>69kV Switches - (pending Council approval of award for this agenda item)</b>                             |
| <b>\$27,895.27</b>    | <b>Instrument Transformers - (pending Council approval of award for this agenda item)</b>                   |
| <b>\$6,530.58</b>     | <b>69kV Switches - (pending Council approval of award for this agenda item)</b>                             |
|                       | <u>Kriz-Davis Co. –BSE</u>  |
| <b>\$42,003.18</b>    | <b>Steel Structures - (pending Council approval of award for this agenda item)</b>                          |
|                       | <u>To Be Determined</u>   |
| <u>\$*196,000</u>     | *Estimated cost for (2) 69kV Breakers and (1) 13.8kV Cap Bank – for the CIP Project (currently out for bid) |
| \$907,415.10          | Costs committed to date for project   |
| <b>\$1,042,584.90</b> | <b>Remaining Project Balance</b> to cover remaining equipment and construction for the CIP Project.         |



**INVITATION TO BID NO. 2018-081 FURNISHING ELECTRICAL MATERIALS FOR TOP-O-HOLLOW SUBSTATION**

| BIDDER:                                      |     | Valmont Utility | Kriz-Davis Co - BSE | RESCO  | Rohn Products LLC | Southern States |                |             |                |                                 |                |
|--|-----|-----------------|---------------------|--|-------------------|-----------------|----------------|-------------|----------------|---------------------------------|----------------|
| <b>BID NO. 1 69 KV SWITCHES</b>              |     |                 |                     |  |                   |                 |                |             |                |                                 |                |
| DESCRIPTION                                  | QTY | UNIT PRICE      | EXTENDED PRICE      | UNIT PRICE   | EXTENDED PRICE    | UNIT PRICE      | EXTENDED PRICE | UNIT PRICE  | EXTENDED PRICE | UNIT PRICE                      | EXTENDED PRICE |
| 69 kV, 30 GOAB, vertical brekaer switch      | 2   | NB              |                     | \$8,592.50   | \$17,185.00       | \$5,885.02      | \$11,770.04    | NB          |                | Non-responsive. Incomplete bid. |                |
| 69 kV, 10 fused disconnect switch            | 3   | NB              |                     | \$5,530.10   | \$16,590.30       | \$5,969.20      | \$17,907.60    | NB          |                |                                 |                |
| <b>SUBTOTAL:</b>                             |     |                 |                     | \$33,775.30  |                   | \$29,677.64     |                |             |                |                                 |                |
| <b>SALES TAX (7%):</b>                       |     |                 |                     | \$2,364.27   |                   | \$2,077.43      |                |             |                |                                 |                |
| <b>FREIGHT (NON-TAXABLE):</b>                |     |                 |                     | \$0.00   |                   | \$4,000.00      |                |             |                |                                 |                |
| <b>TOTAL BASE BID:</b>                       |     |                 |                     | \$36,139.57  |                   | \$35,755.07     |                |             |                |                                 |                |
| Cost for Optional Worm Gear Operating Handle |     |                 |                     | included   |                   | \$995.75        |                |             |                |                                 |                |
| <b>BID NO. 2 INSTRUMENT TRANSFORMERS</b>     |     |                 |                     |  |                   |                 |                |             |                |                                 |                |
| DESCRIPTION                                  | QTY | UNIT PRICE      | EXTENDED PRICE      | UNIT PRICE   | EXTENDED PRICE    | UNIT PRICE      | EXTENDED PRICE | UNIT PRICE  | EXTENDED PRICE | UNIT PRICE                      | EXTENDED PRICE |
| 69 kV Potential Transformer                  | 5   | NB              |                     | Non-responsive - transformers proposed did not meet the spec |                   | \$5,214.07      | \$26,070.35    | NB          |                | NB                              |                |
| <b>SUBTOTAL:</b>                             |     |                 |                     |  |                   | \$26,070.35     |                |             |                |                                 |                |
| <b>SALES TAX (7%):</b>                       |     |                 |                     |  |                   | \$1,824.92      |                |             |                |                                 |                |
| <b>FREIGHT (NON-TAXABLE):</b>                |     |                 |                     |  |                   | \$0.00          |                |             |                |                                 |                |
| <b>TOTAL BASE BID:</b>                       |     |                 |                     |  |                   | \$27,895.27     |                |             |                |                                 |                |
| <b>BID NO. 3 LIGHTNING ARRESTORS</b>         |     |                 |                     |  |                   |                 |                |             |                |                                 |                |
| DESCRIPTION                                  | QTY | UNIT PRICE      | EXTENDED PRICE      | UNIT PRICE   | EXTENDED PRICE    | UNIT PRICE      | EXTENDED PRICE | UNIT PRICE  | EXTENDED PRICE | UNIT PRICE                      | EXTENDED PRICE |
| 48 kV (MCOV) Lightning Arrestors             | 9   | NB              |                     | Non-responsive - arrestors proposed did not meet the spec    |                   | \$678.15        | \$6,103.35     | NB          |                | NB                              |                |
| <b>SUBTOTAL:</b>                             |     |                 |                     |  |                   | \$6,103.35      |                |             |                |                                 |                |
| <b>SALES TAX (7%):</b>                       |     |                 |                     |  |                   | \$427.23        |                |             |                |                                 |                |
| <b>FREIGHT (NON-TAXABLE):</b>                |     |                 |                     |  |                   | \$0.00          |                |             |                |                                 |                |
| <b>TOTAL BASE BID:</b>                       |     |                 |                     |  |                   | \$6,530.58      |                |             |                |                                 |                |
| <b>BID NO. 4 STEEL STRUCTURES</b>            |     |                 |                     |  |                   |                 |                |             |                |                                 |                |
| DESCRIPTION                                  | QTY | UNIT PRICE      | EXTENDED PRICE      | UNIT PRICE   | EXTENDED PRICE    | UNIT PRICE      | EXTENDED PRICE | UNIT PRICE  | EXTENDED PRICE | UNIT PRICE                      | EXTENDED PRICE |
| 69 kV GOAB Switch Structure                  | 2   | \$3,718.00      | \$7,436.00          | \$1,839.78   | \$3,679.56        | \$5,504.77      | \$11,009.54    | \$7,950.00  | \$15,900.00    | NB                              |                |
| 69 kV, 30 Phase PT Support Structure         | 1   | \$1,281.00      | \$1,281.00          | \$1,052.42   | \$1,052.42        | \$2,121.65      | \$2,121.65     | \$3,550.00  | \$3,550.00     |                                 |                |
| 69 kV, 30 Phase Bus Support Structure        | 2   | \$1,648.00      | \$3,296.00          | \$249.46   | \$498.92          | \$2,098.96      | \$4,197.92     | \$3,700.00  | \$7,400.00     |                                 |                |
| 69 kV Arrestor/Terminator Support Structure  | 2   | \$5,466.00      | \$10,932.00         | \$3,227.42   | \$6,454.84        | \$6,515.78      | \$13,031.56    | \$9,550.00  | \$19,100.00    |                                 |                |
| 69 kV Fused Disconnect Support Structure     | 1   | \$3,596.00      | \$3,596.00          | \$2,245.16   | \$2,245.16        | \$3,742.27      | \$3,742.27     | \$6,600.00  | \$6,600.00     |                                 |                |
| Shield Mast                                  | 4   | \$4,330.00      | \$17,320.00         | \$4,350.00   | \$17,400.00       | \$6,820.62      | \$27,282.48    | \$4,550.00  | \$18,200.00    |                                 |                |
| Operator Platform                            | 3   | \$2,327.00      | \$6,981.00          | \$693.55   | \$2,080.65        | \$1,551.55      | \$4,654.65     | \$2,400.00  | \$7,200.00     |                                 |                |
| Anchor bolts for steel structures (lot)      | 1   |                 | \$1,246.00          |  | \$1,145.16        |                 | \$1,122.68     |             | \$4,650.00     |                                 |                |
| Detailing (lot)                              | 1   |                 |                     |  | \$3,250.00        |                 |                |             |                |                                 |                |
| <b>SUBTOTAL:</b>                             |     | \$52,088.00     |                     | \$37,806.71  |                   | \$67,162.75     |                | \$82,600.00 |                |                                 |                |
| <b>SALES TAX (7%):</b>                       |     |                 |                     | \$2,646.47   |                   | \$4,701.39      |                | \$5,782.00  |                |                                 |                |
| <b>SALES TAX (7%)- Not Licensed:</b>         |     | \$3,646.16      |                     |  |                   |                 |                |             |                |                                 |                |
| <b>FREIGHT (NON-TAXABLE):</b>                |     | \$3,354.00      |                     | \$1,550.00   |                   | \$0.00          |                | \$0.00      |                |                                 |                |
| <b>TOTAL BASE BID:</b>                       |     | \$59,088.16     |                     | \$42,003.18  |                   | \$71,864.14     |                | \$88,382.00 |                |                                 |                |