

COUNCIL ACTION FORM

**SUBJECT: AWARD OF CONTRACT FOR 69kV SF6 CIRCUIT BREAKERS FOR
HABER ROAD SUBSTATION**

BACKGROUND:

This bid is for the purchase of two 69kV SF6 circuit breakers for the Haber Road Substation. These circuit breakers will be used to replace existing circuit breakers at Haber Road Substation that are now obsolete and are requiring a high level of maintenance.

On September 4, 2018, bid documents were issued to twenty-two companies. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage, and was also sent to five plan rooms. On September 18, 2018, three bids were received as shown on the attached report.

The lowest bid from WESCO is low by \$526.76 (a cost difference of 0.7% as compared to the second lowest bid by Alstom). The manufacturer of the breakers that they are offering is ABB. Based on the cabinet orientation of the ABB vs the Alstom Breakers, however, there would be additional labor and material cost to install the ABB versus the Alstom breakers at the Haber Road Substation where these breakers will be used. The side-cabinet orientation of the Alstom Breakers greatly facilitates the breaker replacements and will reduce both the cost and duration of the installation using the Alstom Breakers.

Due to the insignificant cost difference between these two lowest bids, staff has concluded that it would be in the City's best interest to award the contract to the second lowest bid submitted by Alstom Grid LLC, Charleroi, PA in the amount of \$75,030.00 (inclusive of Iowa sales tax).

The approved FY 2018/19 Operating Budget includes \$150,000 to purchase these breakers.

ALTERNATIVES:

1. Award a contract to second low bid submitted by Alstom Grid LLC, Charleroi, PA, for the 69kV SF6 Circuit Breakers for Haber Road Substation in the amount of \$75,030.00 (inclusive of Iowa sales tax).
2. Award a contract to low bid submitted by WESCO Distribution, Inc., Des Moines, IA, for the 69kV SF6 Circuit Breakers for Haber Road Substation in the amount of \$74,503.24 (inclusive of Iowa sales tax).

3. Reject all bids and delay the purchase of these circuit breakers.

MANAGER'S RECOMMENDED ACTION:

The purchase of these breakers will help maintain the 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.



**INVITATION TO BID NO. 2019-021 FURNISHING 69KV SF6 CIRCUIT BREAKERS FOR
HABER ROAD SUBSTATION**

BIDDER:	WESCO Distribution, Inc. Des Moines, IA			Alstom Grid LLC Charleroi, PA			Siemens Industry, Inc. Richland, MS		
DESCRIPTION	QTY	UNIT PRICE	TOTAL	QTY	UNIT PRICE	TOTAL	QTY	UNIT PRICE	TOTAL
69kV SF6 Circuit Breakers	2	\$34,814.60	\$69,629.20	2	\$34,500.00	\$69,000.00	2	\$36,440.00	\$72,880.00
Subtotal:		\$69,629.20			\$69,000.00			\$72,880.00	
Sales or Use Tax (7%):		\$4,874.04			\$4,830.00			\$5,101.60	
Non-Taxable Freight		\$0.00			\$1,200.00			\$0.00	
OVERALL		\$74,503.24			\$75,030.00			\$77,981.60	