

COUNCIL ACTION FORM

**SUBJECT: **CONTRACT ACCEPTANCE FOR SWITCHGEAR AND CONTROL
PANELS – TOP-O-HOLLOW SUBSTATION EXPANSION AND
BREAKER ADDITION****

BACKGROUND

On August 22, 2017, City Council approved preliminary plans and specifications for furnishing 15kV Outdoor Metalclad Switchgear and 69kV Controls Panels for Top-O-Hollow Substation Expansion and Breaker Addition project.

On September 27, 2017, three bids were received. Electric Services staff and an engineer from Dewild Grant Reckert & Associates (DGR) Company reviewed the bids and concluded that the apparent low bid submitted by Harold K. Scholz Co, Ralston, NE, in the amount of \$615,923.40 (inclusive of Iowa sales tax), was acceptable. The Engineer's estimate of the cost of this equipment was \$675,000.

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 (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. The ISU load-ratio-share is 7% of the total project cost.

On February 15, 2018, Change Order #1 was done to decrease the purchase order by \$16,692 (inclusive of Iowa sales tax) for items that were deducted from this contract.

The material in the contract has now been delivered, the project engineer has provided a certificate of completion, and the total amount payable is \$599,231.40.

ALTERNATIVES:

1. Accept completion of the contract for furnishing the 15kV Outdoor Metalclad Switchgear and 69kV Control Panels for Top-O-Hollow Substation Expansion and Breaker Addition project with Harold K. Scholz Co, Ralston, NE, in the amount of \$599,231.40 (inclusive of Iowa sales tax), and authorize final payment to the contractor.
2. Delay acceptance of this portion of the project.

CITY MANAGER'S RECOMMENDED ACTION:

The contractor has delivered all of the equipment specified under the contract, and the City is obligated to make final payment.

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