

COUNCIL ACTION FORM

SUBJECT: CHANGE ORDER NO. 1 -- PADMOUNT SWITCHGEAR FOR THE ELECTRIC SERVICES DEPARTMENT

BACKGROUND:

On July 12, 2022, Ames City Council awarded contracts to two firms to provide a total of three specified padmount switchgear. Padmount switchgear of this type are kept on hand in order to ensure availability for the needs of the department. Typically, these items are used to provide service for commercial and residential applications and is necessary to meet the anticipated needs of the Electric Services Department for new construction and maintenance projects.

Four bidders submitted pricing for the three specified switchgear. The City Council awarded a contract to WESCO Distribution, Des Moines, IA for the purchase of 15KV PME-9 padmount switchgear, at the bid amount of \$22,799.61. On July 15, 2022, staff was notified that WESCO made an error in its bid and is not able to honor the indicated pricing. WESCO submitted a revised price to furnish the switchgear. The original price, revised price, and other bidders' prices are reflected in the table below:

BIDDER	15KV, PME-9,2-200E FUSE/2-600A SWITCH
WESCO (Original Bid)	\$22,799.61
Power Line Supply	\$25,661.81
IRBY UTILITIES	\$26,054.50
RESCO	\$26,196.06
WESCO (Revised Bid)	\$28,834.41

***Price inclusive of 6% State of Iowa Sales Taxes Plus 1% Local Tax**

After re-evaluating the bid summary, WESCO's adjusted price for switchgear no longer made WESCO the low bidder. Power Line Supply of Williamsburg, IA is now the low bidder for 15KV PME-9 Padmount Switchgear.

Power Line Supply was the successful bidder awarded a contract on July 12 for the other two switchgear specified in the original Invitation to Bid. **Therefore, this action is to approve a change order (Change Order No. 1) to add one 15KV PME-9 padmount switchgear, in the amount of \$25,661.81 (inclusive of Iowa sales tax) to the existing Purchase Order from Power Line Supply.**

The Purchase Order with WESCO, approved by City Council on July 15 will be cancelled.

ALTERNATIVES:

1. Approve Change Order No. 1 with Power Line Supply of Williamsburg, IA, to add one 15KV PME-9 of padmount switchgear, in accordance with the bid amount of \$25,661.81 (inclusive of Iowa sales tax), bringing their total contract to \$70,162.42.
2. Award a contract to one of the other bidders.
3. Direct staff to solicit new bids for this equipment.

CITY MANAGER'S RECOMMENDED ACTION:

It is important to purchase padmount switchgears at the lowest possible cost with minimal risk to the City. It is also imperative to have padmount switchgears available to meet department's needs for commercial and residential application.

The original awarded contract will not be honored by the supplier, and therefore this equipment must be furnished by the next low bidder, which is Power Line Supply. Since Power Line Supply is furnishing the other two switchgear awarded through this Invitation to Bid, the purchase of the 15KV, PME-9,2-200E Fuse/2-600A Switch switchgear can be completed through a change order.

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