

COUNCIL ACTION FORM

SUBJECT: ELECTRIC DISTRIBUTION CABLE PURCHASE

BACKGROUND:

This bid is for the purchase of 1/0 aluminum EPR 15kV cable and 2-2-4 aluminum triplex cable to meet the annual construction needs of the Electric Services Department.

These materials are standard Electric Services Department inventory items. Inventory items are purchased from an Electric Department inventory asset account and charged to the appropriate operations expense/project accounts as the materials are taken out of inventory and put into the various work orders.

Bids for these materials were received on May 19, 2009, as shown on the attached report. All bids for cable and wire are subject to reel length variances, usually 5% - 10%, to allow for factory over/under runs during production. Most cable bids are also subject to metals adjustment due to the volatility of the metals market. One firm-price bid and one adjustable bid were received, with the firm-price bid evaluated as the lower cost.

The Electric Engineering Manager has reviewed the bids and determined that the firm-price bid meets the needs of the Electrical Services Department.

ALTERNATIVES:

1. Award a contract for the purchase of 1/0 aluminum EPR 15kV cable and 2-2-4 aluminum triplex wire to the low firm-price bidder, RESCO, of Ankeny, Iowa, subject to reel length variances, at an estimated total cost of \$40,217.00 plus applicable sales taxes.
2. Reject all bids and delay Electric Services work orders.

MANAGER'S RECOMMENDED ACTION:

This purchase will provide for the annual construction needs of the Electric Services Department for 1/0 aluminum EPR 15 kV cable and 2-2-4 aluminum triplex cable.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the award of contract to RESCO, Ankeny, Iowa, in the amount of \$40,217.00, plus applicable sales taxes, subject to reel length variances for the purchase of 1/0 aluminum EPR 15 kV cable and 2-2-4 aluminum triplex cable.



INVITATION TO BID NO. 2009-191

	Group One	Group Two			
Bidder	Unit price, 5,000 ft. 2-2- 4 aluminum triplex cable	Unit price, 25,000 ft. 1/0 aluminum EPR 15kV cable	Subtotal	Total Including 7% Sales Tax	Notes
RESCO Ankeny, IA	\$0.5679	\$1.4951	\$40,217.00	\$43,032.19	Prices firm through 6/12/09
Burmeister Electric Company Fort Dodge, IA	\$0.5890	\$1.6270	\$43,620.00	\$46,673.40	Group Two subject to metals escalation