

COUNCIL ACTION FORM**SUBJECT: APPROVAL OF PRELIMINARY PLANS AND SPECIFICATIONS FOR THE VETERINARY MEDICINE SUBSTATION POWER TRANSFORMERS****BACKGROUND:**

The complete project is the expansion of the Veterinary Medicine (Vet Med) Electrical Substation which is needed to accommodate Iowa State University's (ISU) Veterinary Medicine Campus load additions and football stadium load additions. This substation will also serve Ames' load additions south of Highway 30 and along South 16th Street in the vicinity of the Vet Med Substation. This project has been advanced to accommodate ISU's advanced schedule for the Vet Med Campus load additions. It has also been increased in scope and cost to include an additional transformer to better accommodate Ames' and ISU's future needs for capacity and reliable service in this area.

This portion of the project is for the purchase of two 69/13.8-kV 15/20/25 MVA power transformers and related accessories. The Engineer's estimate of the cost of these two transformers is \$1,250,000. It is necessary to specify and order these transformers ahead of the final design and construction bidding due to the long lead time for these two critical pieces of equipment. There will be a separate Council Action Form presented to Council for substation circuit breakers, and another for the construction phase approval of plans and specifications

Upon City Council approval and receipt of favorable bids, the transformers will be ordered. The transformers will be delivered in the 2010/2011 fiscal year. It is anticipated the construction will begin during August 2010. It is the goal to have this entire project completed prior to May 11, 2011, which is just prior to the estimated completion of the Vet Med facility expansion.

The approved FY2010/11 CIP for Electric Services includes \$3,600,000 for engineering, materials and construction of this project. Iowa State University will contribute an estimated \$1,489,727 to the cost of engineering and construction. To date the project budget has the following items encumbered:

\$ 390,880	A cost-not-to-exceed for engineering services
\$ 190,000	Estimated cost for four circuit breakers
\$1,250,000	Estimated cost for transformers
<u>\$1,769,120</u>	Available for construction
\$3,600,000	Total Budgeted Project Cost

ALTERNATIVES:

1. The Council may approve the plans and specifications for the Vet Med Substation Power Transformers and set June 30, 2010, as the bid due date and July 13, 2010, as the date of hearing and award of contract.

2. Do not approve the plans and specifications at this time.

MANAGER'S RECOMMENDED ACTION:

This project is necessary to accommodate both City and Iowa State University load requirements in the Vet Med Substation area. The schedule for this project is crucial as a result of new electric load being installed in 2011, with Iowa State University's installation of new chiller equipment for its Veterinary Medicine campus expansion. This requires that the planned Vet Med Substation additions be in service no later than May 11, 2011. Existing transformer and feeder capacity at this substation is inadequate to support these new ISU load additions and Electric Services will be unable to meet the required in-service schedule if this transformer bid request is delayed.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, approving the plans and specifications for the Vet Med Substation Power Transformers and establishing June 30, 2010, as the bid due date and July 13, 2010, as the date of hearing and award of contract.