

**COUNCIL ACTION FORM**

**SUBJECT: IOWA STATE UNIVERSITY VETERINARY MEDICINE SUBSTATION  
ELECTRICAL MATERIALS**

**BACKGROUND:**

This project is for expansion of the Veterinary Medicine (Vet Med) Electrical Substation to accommodate Iowa State University's Veterinary Medicine Campus load additions, football stadium load additions, and the City's load additions south of Highway 30 and along 16<sup>th</sup> Street in the vicinity of the Vet Med Substation. This project was advanced to accommodate ISU's accelerated schedule for the Veterinary Medicine Campus load additions. It has also increased in scope and cost to include an additional transformer to better accommodate the City's and the University's future needs for capacity and service reliability in this area.

This portion of the project is for the purchase of electrical materials which consist of 69kV Switches, Instrument Transformers and Steel Structures. Staff consolidated all of these into a single bid broken down into three separate groups to allow the City to procure these parts more efficiently since all three groups could be supplied from the same pool of firms. The City still reserves the option to award the contract in whole or in parts depending on the bid submitted from each firm for each group listed on the bid document. Bid documents for the electrical materials were issued to twenty-nine firms

On August 11, 2010, eleven bids were received as shown on the attached report. Electric Services staff, along with an engineer from Dewild Grant Reckert & Associates (DGR) Company, reviewed the bids. They determined that the bid submitted by HD Supply Utilities for all three groups of parts was non-responsive. The non-responsiveness was due to HD Supply Utilities' failure to provide any prices on any of the parts. They did, however, submit all of the required bid submittals. Staff and DGR also determined that the bid submitted from Resco on Bid No. 2 Instrument Transformers was non-responsive. The manufacturer and part number Resco bid does not meet the technical specification requirements in terms of the burden rating and as a result is not an acceptable substitute.

After identifying and excluding the non-responsive bids for each of the three groups of parts, staff and DGR concluded that the remaining low bids for each group of parts are acceptable. The recommended awards are as follows:

- Bid No. 1 69kV Switch - Hamby-Young, Aurora, OH for its bid of \$40,694.90
- Bid No. 2 Instrument Transformers - Hamby-Young, Aurora, OH for its bid of \$39,683.05

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- Bid No. 3 Steel Structures - Galvanizer, Inc., West Fargo, ND for their bid of \$34,458.05 (an additional \$2,338.37 in sales tax is to be paid directly since Galvanizer, Inc. is not licensed to pay tax in Iowa)

The Engineer's estimate of the cost of these electrical materials is \$197,000. The approved 2010/11 Capital Improvement Plan for Electric Services includes \$3,600,000 for construction and materials and an additional \$400,000 carried over from 2009/10 for engineering for a total approved project budget of \$4,000,000. Iowa State University will contribute an estimated \$1,489,727 to the cost of the project. To date, the project budget has the following items encumbered (including the pending 15kV metalclad switchgear award which is also presented to Council at this meeting):

1.	\$390,880.00	A cost-not-to-exceed for engineering services (DGR)
2.	\$192,715.64	Actual cost for four circuit breakers
3.	\$1,059,362.38	Actual cost for two transformers (This includes the 7% sales tax to be paid directly to the State of Iowa by the City)
4.	<b>\$117,174.37</b>	<b>Actual cost for Electrical Materials-this item (pending Council award for this item)</b>
5.	\$563,197.29	Actual cost for two 15kV Metalclad Switchgear assemblies (pending Council award at this same Council meeting).
6.	<u>\$1,676,670.32</u>	Estimated cost / available funds for Construction – (currently out for bid).
Total \$4,000,000		

#### **ALTERNATIVES:**

- a. Award a contract to Hamby-Young, Aurora, OH, for the Vet Med Substation Electrical Materials Bid No.1 69kV Switches in the amount of \$40,694.90.
  - b. Award a contract to Hamby-Young, Aurora, OH, for the Vet Med Substation Electrical Materials Bid No. 2 Instrument Transformers in the amount of \$39,683.05.
  - c. Award a contract to Galvanizer, Inc., West Fargo, ND, for the Vet Med Substation Electrical Materials Bid No. 3 Steel Structures in the amount of \$34,458.05 (with an additional \$2,338.37 in sales tax to be paid directly by the City).
2. Reject all bids and delay the purchase of the electrical materials for the Vet Med Substation.

### **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 to meet the new electric load being added in 2011. Iowa State University has ordered new chiller equipment for its Veterinary Medicine campus expansion, which 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 without approval of these contracts.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 awarding contracts to:

- a. Hamby-Young, Aurora, OH, for the Vet Med Substation Electrical Materials Bid No.1 69kV Switches in the amount of \$40,694.90;
- b. Hamby-Young, Aurora, OH, for the Vet Med Substation Electrical Materials Bid No. 2 Instrument Transformers in the amount of \$39,683.05; and
- c. Galvanizer, Inc., West Fargo, ND, for the Vet Med Substation Electrical Materials Bid No. 3 Steel Structures in the amount of \$34,458.05 (with an additional \$2,338.37 in sales tax to be paid directly by the City).

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**INVITATION TO BID 2010-254  
FURNISH SUBSTATION ELECTRICAL MATERIALS**

**Bid No. 1 69kv Switches**

<b>BIDDER</b>	<b>BID PRICE* (LESS APPLICABLE SALES TAX)</b>	<b>OVERALL BID PRICE**</b>
Hamby-Young, Aurora, OH	\$38,032.62	\$40,694.90
Resco, Ankeny, IA	\$39,863.62	\$42,654.07
Border States Electric, Rapid City, SD	\$41,353.23	\$44,247.96
Z Contracting Inc., dba National Conductor Constructors Brainerd, MN	\$43,381.80	\$46,418.53
Power Substations, Inc., Chesterland, OH	\$49,777.50	\$53,261.93
HD Supply Utilities, Hudson, OH	NON RESPONSIVE	

**Bid No. 2 Instrument Transformers**

Hamby-Young, Aurora, OH	\$37,086.96	\$39,683.05
Z Contracting Inc., dba National Conductor Constructors Brainerd, MN	\$38,667.20	\$41,373.90
Power Substations, Inc., Chesterland, OH	\$44,060.00	\$47,144.20
Resco, Ankeny, IA	NON RESPONSIVE	
HD Supply Utilities, Hudson, OH	NON RESPONSIVE	

**Bid No. 3 Steel Structures**

Galvanizers, Inc., West Fargo, ND	\$33,958.05	\$36,261.42
Border States Electric, Rapid City, SD	\$35,478.97	\$37,888.81
Hamby-Young, Aurora, OH	\$44,932.44	\$48,077.71
Power Substations, Inc., Chesterland, OH	\$45,066.46	\$48,221.11
Engineered Endeavors, Newbury, OH	\$47,064.00	\$50,215.68
Associated Substation Engineering, Bremen, GA	\$51,793.56	\$55,419.11

V & S Schuler Engineers, Inc., Canton, OH	\$56,015.00	\$59,791.22
Z Contracting Inc., dba National Conductor Constructors Brainerd, MN	\$56,774.38	\$60,677.19
DIS-TRAN Steel, LLC Pineville, LA	\$56,971.00	\$60,832.20
HD Supply Utilities, Hudson, OH	NON RESPONSIVE	
* This column included since two of the bidders are not licensed to collect sales-tax. ** This includes applicable sales-tax to be paid by the Bidder or from the City directly to the State of Iowa.		