

COUNCIL ACTION FORM

SUBJECT: ACCEPTANCE OF IOWA STATE UNIVERSITY VET MED SUBSTATION MATERIALS (69KV SWITCHES AND STEEL STRUCTURES)

BACKGROUND

On July 13, 2010, City Council approved preliminary plans and specifications for Veterinary Medicine (Vet Med) Substation Electrical Materials. The complete project is the expansion of the Veterinary Medicine Electrical Substation which is needed to accommodate Iowa State University's Veterinary Medicine Campus load additions, football stadium load additions, and Ames' load additions south of Highway 30 and along South 16th Street in the vicinity of the Vet Med Substation.

This portion of the project is for the purchase of electrical materials consisting of 69kV Switches, Instrument Transformers and Steel Structures. A budget of \$4,000,000 was included in the 2010/11 Capital Improvements Plan (CIP) for the entire project. **The Engineer's estimated cost for these materials was \$197,000.**

On August 11, 2010, bids were received and evaluated by Electric Services staff and an engineer from Dewild Grant Reckert & Associates (DGR) Company, who both concluded that the lowest responsive bids were acceptable. The recommended awards were as followed:

- 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
- Bid No. 3 Steel Structures - Galvanizer, Inc., West Fargo, ND for its 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 total of all three of these awards (including sales tax) was \$117,174.37

Hamby-Young has delivered all of the 69kV switches. As a result, the Project Engineer has provided a certificate of completion for this portion of the electrical materials. The total contract amount is \$40,694.90.

Galvanizer, Inc. has delivered all of the steel structures. As a result, the Project Engineer has provided a certificate of completion for this portion of the electrical materials. The total contract amount including the change orders is \$35,907.15. There was one change for this contract in the amount of \$1,449.10 for an increase in the quantity of the 15kV bus support structures from 2 to 4.

ALTERNATIVES:

- 1) a. Accept completion of the contract for the 69kV portion of the Vet Med Substation Electrical Materials with Hamby-Young, at a total cost of \$40,694.90, and authorize final payment to the contractor.
- b. Accept completion of the contract for the Steel Structures portion of the Vet Med Substation Electrical Materials with Galvanizer, Inc., at a total cost of \$35,907.15, and authorize final payment to the contractor.
- 2) Delay acceptance of these portions of the project.

MANAGER'S RECOMMENDED ACTION:

These two contractors for the 69kV and steel structures portions of the Vet Med Substation Electrical Materials have delivered all of the materials specified under the contract. The Project Engineer has issued a certificate of completion on the work for each one, and the City is legally required to make final payment. The City is awaiting receipt of the instrument transformers (Bid #2) yet to be delivered.

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

- a. Accepting completion of the contract for the 69kV portion of the Vet Med Substation Electrical Materials with Hamby-Young, at a total cost of \$40,694.90, and authorize final payment to the contractor, and
- b. Accepting completion of the contract for the Steel Structures portion of the Vet Med Substation Electrical Materials with Galvanizer, Inc., at a total cost of \$35,907.15, and authorizing final payment to the contractor.