

COUNCIL ACTION FORM

**SUBJECT: AWARD OF CONTRACT FOR TOP-O-HOLLOW SUBSTATION
EXPANSION**

BACKGROUND:

On February 27, 2018, City Council approved preliminary plans and specifications for Top-O-Hollow Substation Expansion. **This portion of the project is to contract for construction services to complete the substation expansion.**

Bid documents were issued to twenty-eight companies and three plan rooms. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published on the websites of a contractor plan room service with statewide circulation and the Iowa League of Cities.

On April 25, 2018, five bids were received as demonstrated on the attached report. Electric Services staff, along with an engineer from Dewild Grant Reckert & Associates (DGR) Company, reviewed the bids. **After the initial evaluation, they determined that the bid submitted by Valmont Utility was non-responsive because they did not sign the City of Ames Bid Form. This was a mandatory requirement.**

Staff and DGR evaluated the remaining bids and concluded that the apparent low bid submitted by Primoris Aevenia, Inc., Johnston, IA, in the amount of \$1,511,291.16 is acceptable.

The Engineer's estimate of the cost of the construction is \$1,620,000.

The approved FY 2017/18 CIP for Electric Services includes \$1,950,000 for the Top-O-Hollow Substation Expansion and Breaker Addition project. Iowa State University's (ISU) will also provide funding for this project. ISU's share of the project is based on a load-ratio-share of the 69kV portion of this project at the time of implementation. For budgetary purposes, staff is assuming the ISU load ratio share to be 7% of the total project cost.

Originally this project was budgeted to provide overhead transmission lines from the substation. After review of the location, discussions with neighboring residents, and for increased reliability, staff determined that the lines leaving the substation should be installed underground. Underground lines will allow the substation design to be more compact and eliminate the need to build a storm water retention pond on the site.

To cover the new engineer's estimate including the underground connection, unspent funds from three other current or recent CIP projects are being moved to this project. These include \$800,000 from Transmission Reconstruction, \$332,652 from 69kV Switchyard Relay, and \$271,843 from Street Lights, for a total of \$1,404,495, bringing the total amount of funding available for the project to be \$3,354,495. These funding transfers are being included in the FY 2017/18 final amendments which will be presented to Council in May.

A breakdown of the budget as well as contracts awards to date is attached at the end.

ALTERNATIVES:

1. Award a contract to Primoris Aevenia, Inc., Johnston, IA, for the Top-O-Hollow Substation Expansion in the amount of \$1,511,291.16.
2. Award the contract to another bidder.
3. Reject all bids and delay this project.

MANAGER'S RECOMMENDED ACTION:

This project will improve reliability of the 69kV transmission system, improve service to the customers served by this substation, improve worker safety, and provide improved protection to electrical assets from fault damage. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

To date the Top-O-Hollow CIP project budget has the following items encumbered:

\$1,950,000	FY 2017/18 CIP amount budgeted for construction
<u>\$1,404,495</u>	Additional funds transferred from budgeted CIP funds for 69kV
\$3,354,495	Transmission Reconstruction (\$800,000), Street Light (\$271,843) and 69kV Switchyard Relay & Controls (\$332,652)
	<u>H K Scholz</u>
\$599,231	Actual cost for switchgear and control panels
	<u>RESCO</u>
\$35,755.07	69kV Switches
\$27,895.27	Instrument Transformers
\$6,530.58	69kV Switches
	<u>Kriz-Davis Co. – BSE</u>
\$42,003.18	Steel Structures
	<u>Siemens Industry, Inc</u>
\$150,442	(2) 69kV Breakers
	<u>Controllix Corporation</u>
\$104,748.35	(1) 13.8kV Cap Bank
	<u>Primoris Aevenia, Inc.</u>
<u>\$1,511,291.16</u>	Construction (pending Council award for this agenda item)
\$2,477,896.61	Costs committed to date for project
\$876,598.39	Remaining Project Balance for the CIP Project.



**INVITATION TO BID NO. 2018-107 TOP-O-HOLLOW SUBSTATION
CONSTRUCTION BID SUMMARY**

BIDDER:	PART 1	PART 2	PART 3	PART 4	TOTAL
Primoris Aevenia, Inc. Johnston, IA	\$143,572.41	\$220,462.49	\$66,537.82	\$1,080,718.44	\$1,511,291.16
The Ryan Company, Inc Norton, MA	\$151,628.10	\$136,949.60	\$70,673.00	\$1,610,540.12	\$1,969,790.82
L.E. Myers Company Marshalltown, IA	\$150,851.60	\$207,286.23	\$76,061.70	\$1,659,835.85	\$2,094,035.38
Brink Constructors, Inc Rapid City, SD	\$311,237.90	\$419,680.11	\$54,124.22	\$1,608,166.20	\$2,393,208.43
Valmont Utility Valley, NE	Non-Responsive. Did not sign City of Ames Bid Form.				