

COUNCIL ACTION FORM

**SUBJECT: AWARD OF CONTRACT FOR INSTALLATION SERVICES FOR 69KV
UG POWER CABLE TOP-O-HOLLOW SUBSTATION**

BACKGROUND:

On June 12, 2018, City Council approved preliminary plans and specifications for Installation Services for 69kV UG Power Cable Top-O-Hollow. **This portion of the project is to contract for furnishing and installing 69 kV power cable and terminations for the Top-O-Hollow Substation.**

Bid documents were issued to seven 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 June 27, 2018, two 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. A report of bids was submitted to Council on 7-10-18.

Staff and DGR evaluated the bids and concluded that the apparent low bid submitted by Primoris Aevenia, Inc., Johnston, IA, in the amount of \$171,732.50 is acceptable.

The Engineer's estimate of the cost of the construction is \$350,000.

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 engineer's new estimate including the underground connection, unspent funds from three other current or recent CIP projects were moved to this project. These include \$800,000 from Transmission Reconstruction, \$331,652 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 \$3,353,495. These funding transfers were approved by Council in May 2018.

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 Installation Services for 69kV UG Power Cable Top-O-Hollow in the amount of \$171,732.50.
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>\$1,403,495</u>	Additional funds transferred from budgeted CIP funds for 69kV Transmission Reconstruction (\$800,000), Street Light (\$271,843) and 69kV Switchyard Relay & Controls (\$331,652)
\$3,353,495	
	<u>H K Scholz</u>
\$599,231	Switchgear and Control Panels
	<u>RESCO</u>
\$37,012.26	69kV Switches
\$27,895.27	Instrument Transformers
\$10,884.30	69kV Lightning Arrestors
	<u>Kriz-Davis Co. – BSE</u>
\$42,003.18	Steel Structures
	<u>Siemens Industry, Inc</u>
\$75,221	(2) 69kV Breakers
	<u>Controllix Corporation</u>
\$104,748.35	(1) 13.8kV Cap Bank
	<u>Primoris Aevenia, Inc.</u>
\$1,511,291.16	Construction
	<u>L & S Electric, Inc.</u>
\$76,169	Equipment Commissioning
	<u>Primoris Aevenia, Inc.</u>
<u>\$171,732.50</u>	Installation Services for 69kV UG Power Cable (pending Council award for this agenda item)
\$2,656,188.02	Costs committed to date for project
\$697,306.98	Remaining Project Balance for the CIP Project.



**ITB 2018-179 Installation Services for 69 kV UG Power Cable for Top-O-Hollow Substation
Bid Summary**

Bidder:			Primoris Aevenia, Inc., Johnston, IA				Marmon Utility, LLC., Seymour, CT			
Unit	Description	Est. # Units	Labor	Materials	Labor & Materials	Extended Price	Labor	Materials	Labor & Materials	Extended Price
C1	Lightning arrester, 60 kV, 1Ø, station class	6	\$200.00	\$0.00	\$200.00	\$1,200.00	\$1,568.00		\$1,568.00	\$9,408.00
RD-1	69 kV Transmission Riser, 3Ø (ea.)	2	\$1,500.00	\$3,000.00	\$4,500.00	\$9,000.00	\$4,907.00	\$6,700.00	\$11,607.00	\$23,214.00
UCG	Cable System Grounding (as req'd)	1	\$1,500.00	\$1,500.00	\$3,000.00	\$3,000.00			\$12,875.00	\$12,875.00
UCG-4/0	4/0 Grounding Cable (Mft.)	0.690	\$2,000.00	\$3,500.00	\$5,500.00	\$3,795.00	\$11.03	\$11.43	\$22.46	\$15,497.40
UCT	Power Cable Termination (ea.)	12	\$1,775.00	\$3,875.00	\$5,650.00	\$67,800.00	\$7,300.00	\$4,316.00	\$11,616.00	\$139,392.00
UPC	Power Cable (Mft.)	2.070	\$3,000.00	\$33,250.00	\$36,250.00	\$75,037.50	\$31.38	\$12.80	\$44.18	\$91,452.60
UPS-SP	Power Cable, sapre (Mft.)	0.350	\$750.00	\$33,250.00	\$34,000.00	\$11,900.00		\$17.80	\$17.80	\$6,230.00
U1	Mobilization (as req'd.)	1	\$0.00	\$0.00	\$0.00	\$0.00				\$128,918.00
OVERALL PRICE:			\$171,732.50				\$426,987.00			