

ITEM #: 16
DATE: 05-28-24
DEPT: Electric

COUNCIL ACTION FORM

SUBJECT: TRANSFORMER OIL RECONDITIONING AND REPAIR FOR ELECTRIC SERVICES

BACKGROUND:

The Electric Department maintains transformers throughout the community. Routine maintenance for transformers includes filtering the transformer oil to remove the gases and adding inhibitor to limit moisture accumulation in the windings to protect against catastrophic failure. **Routine testing has revealed that transformer oil reconditioning and repair is needed on transformer AP6T6 and leak repair is needed on transformer AP6T1. Because both transformers are located in the same substation, the two transformer repairs were bid together to help control costs with one mobilization.**

Bids were solicited for transformer oil reconditioning and repair. On May 15, 2024, bids were received as follows:

BIDDER	COST*
Solomon Corporation, Solomon, KS	No Bid
Energy Solutions, Elkhorn, NE	\$89,328.95
Tri-City Electric Company of Iowa, Davenport, IA	\$136,994.24
AES Kinetics, Naperville, IL	\$143,166.00
Transfluid Services, Houston, TX	\$149,457.60
Midwest Electric Transformer Services, Hesston, KS	\$335,854.85
Cahoon Sales, Iowa City, IA	\$428,000.00

***Price inclusive of 6% State of Iowa Taxes Plus 1% Local Tax**

In the bids, Energy Solutions indicated it is the manufacturer's representative for Delta Star. Cahoon Sales indicated it is the manufacturer's representative for Waukesha Service.

Staff reviewed the bids and concluded that the apparent low bid submitted by Energy Solutions is acceptable. The FY 2023/24 budget contains \$115,000 for this work.

ALTERNATIVES:

1. Award contract to Energy Solutions, Inc., of Elkhorn, NE for transformer oil reconditioning and repair for the Electric Department's Technical Services Division in the amount of \$89,328.95.
2. Purchase the service from one of the other bidders.
3. Reject the award and direct staff to re-bid.

CITY MANAGER'S RECOMMENDED ACTION:

Staff reviewed the bids and concluded that the apparent low bid submitted by Energy Solutions is acceptable. Therefore, it is the recommendation of the City Manager to approve Alternative No. 1, as described above.