

ITEM #: 17
DATE: 07-09-24
DEPT: ELEC

COUNCIL ACTION FORM

SUBJECT: **ELECTRIC DEPARTMENT PRIMARY CABLE PURCHASE**

BACKGROUND:

This contract is for the purchase of primary cable necessary to meet the anticipated needs of the City's electric distribution system. This cable is kept on hand in order to ensure availability which will enable staff to quickly make repairs to maintain or restore utility services.

Staff issued a Request for Quotation (RFQ) for an inventory restock, containing one requested product. On June 20, 2024, an RFQ document was posted to Ames Bids, the electronic bidding site. A total of six potential bidders viewed the project. On June 28, 2024, bids were received as follows:

RESPONDING SUPPLIER	RESPONSE TOTAL (inclusive of tax)	LEAD TIME
RESCO of Ankeny, IA	\$122,622.00	30 weeks
WESCO of Des Moines, IA	\$135,462.00	1 week (in stock)
Dakota Supply Group of Ames, IA	\$167,241.00	32 weeks
Westex Group of Rockville, MD	\$167,562.00	2 weeks
Graybar Electric of Des Moines, IA	\$199,257.54	1 week

Although RESCO submitted the lowest bid, the lead time is estimated to be 30 weeks. The second lowest bid is 10.5% higher in cost, but the vendor has the cable in stock.

Electric Services is not obligated to accept the low bid. Rather, it can award a contract for the bid that is in the best interest for the utility and its customers. Immediate access to the cable is important to meeting customer's needs. The 30-week lead time of the low bidder does not meet the needs of the Electric Department and is unacceptable. Considering this analysis, staff has determined it is in the best interest of the City to award the bid to WESCO.

There is no budgeted amount for this purchase. The cable will be placed into inventory, where it will be charged to each specific projects as the material is put into service.

ALTERNATIVES:

1. Award a contract to WESCO Distribution of Des Moines, Iowa for the purchase of primary cable in the amount not to exceed \$135,462.00. Payments will be based on unit prices and quantities ordered inclusive of all applicable sales taxes.
2. Direct staff to award the contract to another bidder.
3. Reject the bids.

CITY MANAGER'S RECOMMENDED ACTION:

Primary cable is a critical component to provide reliable electric distribution services to the utility customers. Having cable readily available for quick repairs without significant disruption to services is imperative. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.