

ITEM #: 13
DATE: 01-14-25
DEPT: ELEC

COUNCIL ACTION FORM

**SUBJECT: PURCHASE OF TRANSFORMERS FOR ELECTRIC SERVICES
DEPARTMENT**

BACKGROUND:

This award is for the purchase of electric transformers necessary to meet the anticipated needs of the Electric Services Department. These transformers are kept on hand in order to ensure availability which will enable staff to replace failed transformers quickly. They are also necessary to meet the anticipated needs of the Electric Services Department for new services and maintenance activities. Typically, these transformers are used to provide service for commercial and residential applications.

Lead times have become a challenge for many vendors of critical electric inventory components due to supply chain issues. To address the Electric Department's need for transformers in the future, staff issued a Request for Quotation (RFQ) for a one-time purchase of specific transformers, separated into four equipment groupings. On December 11, 2024, an RFQ document was posted to Ames Bids, the electronic bidding site. A total of 35 potential bidders viewed the project. On December 20, 2024, bids were received as follows:

	Number of Equipment Groupings Responded To (Four Solicited)	Response Total*
PulseMAC Solutions LLC of San Antonio, TX	4	non-responsive
RESCO of Ankeny, IA	4	\$236,394.03
Midwest Electric Transformer Services of Hesston, KS	4	\$320,267.05
Power Line Supply of Williamsburg, IA	4	\$344,697.29
Border States of Ames, IA	4	\$344,788.24
Dakota Supply Group of Ames, IA	4	\$351,954.53
Fletcher Reinhardt of Cedar Rapids, IA	4	\$352,019.30
American Sun Components of Tamarac, FL	4	\$780,030.00

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

The bid PulseMAC Solutions LLC was found to be non-responsive as the manufacturer is not approved. **RESCO was the lowest responsible, responsive bidder to offer transformers that met all specifications.**

This contract will be funded from the Underground System Improvements/Transformers account in the adopted FY 2024/25 budget. The available budgeted amount is \$700,000.

ALTERNATIVES:

1. Award a contract to RESCO of Ankeny, IA for the purchase of pad mount transformers in the amount of \$236,394.03. 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:

Transformers are critical to provide reliable electric service to customers of the Ames Municipal Electric System. It is important to purchase transformers at the lowest possible cost with minimal risk to the City. It is also imperative to have transformers available to meet customer needs in the short-term as well as the long-term. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.