

ITEM #: 32  
DATE: 01-14-25  
DEPT: ELEC

**COUNCIL ACTION FORM**

**SUBJECT:**                               **ELECTRIC DEPARTMENT CABLE PURCHASE**

**BACKGROUND:**

On December 10, 2024, Council adopted Resolution No. 24-654 and awarded Van Meter Inc. of Urbandale, IA a contract for the purchase of 750 copper, 15 kV cable in an amount not to exceed \$103,554.60. As stated in the original award Council Action Form, this cable is essential to have in inventory for repair and replacement projects. This specific cable is anticipated to be needed to relocate utilities for the S. 16th Street widening project, which will be occurring this summer.

**On January 7, City staff was notified by Van Meter that it wished to cancel the contract. Van Meter has stated that there was a mistake between Van Meter and the manufacturer regarding the pricing of the cable. After the discovery of the discrepancy, Van Meter attempted to find a way to fulfill the order, but was unable to do so at that price. Therefore, Van Meter would like to have the contract cancelled and their bid withdrawn from consideration (see attached email from Van Meter).**

The second low bid was found to be unresponsive as the product was not from an approved manufacturer. The third low bid was from WESCO Distribution of Des Moines, IA. This product met City of Ames specifications and is acceptable to the Electric Services Department. **WESCO is still able to honor its pricing; however, the order must be placed soon for delivery in July 2025, or the next available delivery will be pushed out to December 2025.**

The original award to Van Meter was for \$103,554.60. The same contract proposed for award to WESCO is \$179,439.00 or an increase of \$75,884.40. **Staff from Purchasing and the City Attorney's Office have reviewed the bid solicitation and purchase documents with Van Meter. Based on this initial review, the City Attorney believes the City has some remedies with respect to Van Meter, which can be pursued while the cable is being procured from a vendor that can supply the cable in time for the summer construction season.**

**ALTERNATIVES:**

1. Authorize the following actions:
  - a. Accept Van Meter Inc.'s request to cancel the Purchase Order for the purchase of 750 copper, 15 kV cable.
  - b. Award a contract for the purchase of 750 copper, 15 kV cable to WESCO Distribution of Des Moines, IA in the amount not to exceed \$179,439.00. Payments will be based on unit prices and quantities ordered inclusive of all applicable sales taxes.
  - c. Authorize the City Attorney to investigate the City's options with respect to the Van Meter and at a later date take further action as the City Attorney deems appropriate.

2. Cancel the Purchase Order with Van Meter Inc. of Urbandale, IA, and rebid the purchase of 750 copper, 15 kV cable. This has the potential of delaying delivery for six months and negatively impact the road project for which the material is being purchased.

**CITY MANAGER'S RECOMMENDED ACTION:**

**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. The City Attorney believes the City may be able to pursue further action to mitigate its losses from Van Meter being unwilling to furnish the cable at the agreed price.** Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1a-c, as described above.

**ATTACHMENT(S):**

[Bid Withdrawal Notice from Van Meter.pdf](#)

[WESCO Pricing Validation.pdf](#)