



City Council Report

Date: May 7, 2018
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal to the Term Contract for 15kV Aluminum Electrical Cable for the Materials and Supply Warehouse (for the Energy Resources Department) **(Citywide)**

Recommendation

Council is requested to approve the renewal as recommended.

The Business Services, and Energy Resources Departments, and Purchasing recommend authorizing the renewal contract with Western United Electric Supply Corp. at \$396,000.00, based on estimated usage.

Background

This contract provides various sizes of 15kV aluminum electrical cable used in underground installations to distribute 12kV primary power between electrical substations and distribution transformers adjacent to customers utilizing electrical service. The cable is used in new construction and overhead to underground conversion projects. This contract allows for a ready supply of 15kV cable needed to meet project needs.

The vendor agreed to renew the contract under the same terms, conditions and current pricing though this commodity has increased by 2.0% (Producer Price Index). The City is in its final year of this contract and will rebid the contract next year. Energy Resources is evaluating the use of other standard primary wire size prior to rebidding. The City's current pricing is competitive and staff believes that rebidding would not result in better pricing. The City has been satisfied with the vendor's performance. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (2nd of 2 possible)
Procurement Type: Request for Bids
Contract Number: 2014228
Responses Received: 4, and 1 No-Bid response
Original Council Award Date: 6/2/2014
Initial Contract Term: Three years
Funding Source: The purchase is funded in available in the Materials and Supply operating budget through the Warehouse Internal Services Fund