



AGENDA *ca*
ITEM
DATE 5-4-09

City Council Report

Date: May 4, 2009
To: City Council
Through: Bryan Raines, Deputy City Manager
From: Edward Quedens, Business Services Director
Subject: Purchase of a Replacement Substation Power Transformer for the Energy Resources Department (Electric) (Mesa Contract #2009115) (Electric Revenue Construction Bond Funded) "Citywide" contract

Purpose and Recommendation

Council is requested to approve the Purchase of a Replacement Substation Power Transformer as recommended. Bid pricing was obtained and evaluated by the Energy Resources, Engineering and Business Services Departments.

The Business Services Department recommends authorizing purchase from the lowest, responsive and responsible bidder, Virginia Transformer Corp. at \$516,384.00, including applicable use tax.

Background/Discussion

This purchase will provide a 15/20/25 MVA (million volt-amperes) substation power transformer to replace the current transformer in use at the Fraser Substation. The new transformer is needed to continue the 4kV to 12kV circuit conversion program.

Nine (9) responsive bids were received in March 2009. The recommended vendor submitted bids for Alternatives 1 and 2, with Alternative 1 being the lowest priced bid. The Utilities Department; however, is recommending Alternative 2 although \$19,000.00 higher, as it will provide the quieter transformer for this substation which is immediately adjacent to a residential neighborhood.

Alternatives

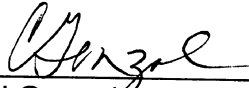
Council may choose not to approve this purchase and new bids would be obtained.

Fiscal Impact

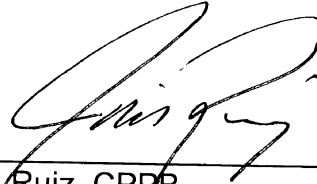
The total amount of \$516,384.00 is available in the Electric Division's budget through Electric Revenue Construction Bond funds.

Coordinated With:

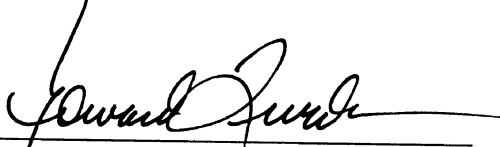
Energy Resources Department (Electric)
Engineering Department



Cyndi Gonzales,
Management Assistant II



Jim Ruiz, CPPB
Purchasing Administrator



Edward Quedens, C.P.M.
Business Services Director



Bryan Raines,
Deputy City Manager

**CITY OF MESA
 AWARD RECCOMENDATION
 15/20/15 MVA POWER TRANSFORMER
 (REQUEST FOR BID #2009115)**

**Virginia Transformer Corp.
 Roanoke, VA**

Item	Description	Bid Price
Alternate 2	Furnish a newly manufactured 15/20/25 MVA, 69/12.47kV Substation Transformer, including Spare Parts and Delivery, per Project Specifications, including Reduced Sound Level Requirements	\$489,000.00
		5.6% Use Tax <u>27,384.00</u>
		TOTAL \$516,384.00

“No Bid” Response Received From:
 Arizona Utility Supply Co., Inc. – Tucson, AZ
 Waukesha Electric Systems, Inc. – Waukesha, WI

Vendors Requested to Bid the Following Alternatives:

Alternative 1 - Newly Manufactured 15/20/25 MVA, 69/12.47kV Substation Transformer, including Spare Parts and Delivery, per Specifications, excluding Reduced Sound Level Requirements.

Alternative 2 - Newly Manufactured 15/20/25 MVA, 69/12.47kV Substation Transformer, including Spare Parts and Delivery, per Specifications, including Reduced Sound Level Requirements.

Alternative 3 – Re-Manufactured 15/20/25 MVA, 69/12.47kV Substation Transformer, including Spare Parts and Delivery, per Specifications, excluding Reduced Sound Level Requirements.

Alternative 3 – Re-Manufactured 15/20/25 MVA, 69/12.47kV Substation Transformer, including Spare Parts and Delivery, per Specifications, including Reduced Sound Level Requirements.

March 2009 Bid Results:

Vendor	Bid Alternate 1	Bid Alternate 2	Bid Alternate 3	Bid Alternate 4
Virginia Transformer Corp. Roanoke, VA	\$470,000.00	\$489,000.00	No Bid	No Bid
Delta Star, Inc. SanCarlos, CA	\$527,178.00	\$547,591.00	No Bid	No Bid
WEG Electric Corp. Suwanee, GA	\$541,928.00	\$568,460.00	No Bid	No Bid
ABB Littleton, CO	\$595,340.00	\$609,340.00	No Bid	No Bid
Howard Industries, Inc. Laurel, MS	\$634,424.00	\$707,558.00	No Bid	No Bid
Niagara Transformer Corp. Buffalo, NY	\$648,100.00	\$685,459.00	No Bid	No Bid
Pauwels Transformers, Inc. Washington, MO	\$681,799.00	\$698,419.00	No Bid	No Bid
Keller Electrical Ind., Inc. Phoenix, AZ	No Bid	No Bid	\$704,086.00	No Bid
Ludvik Electric Co. Tempe, AZ	\$819,000.00	\$841,000.00	No Bid	No Bid