



Legislation Text

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File #: 22-1162, Version: 1

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**CITY COUNCIL AGENDA ITEM**

**ACTION REQUESTED:**

Approve the award of RFQ 22-255, Polyethylene/PVC Conduit Qualifications, to Power Line Supply, Universal Utility Supply, and Wesco Distribution as approved vendors for future projects, for an amount not to exceed \$1,387,000 and for a one-year term

**DEPARTMENT:** Electric Utility

**SUBMITTED BY:** Brian Groth, Director

**BOARD/COMMISSION REVIEW:**

N/A

**BACKGROUND:**

The Electric Utility (EU) purchases Polyethylene and PVC conduit which is used in the electric distribution system and is inventoried at the Electric Service Center (ESC). This conduit is an integral component of the underground cable system. Conduit facilitates installation and protects the cable, promoting safe and reliable service.

The price of conduit has varied significantly in recent years and due to the current supply chain climate, pricing has become increasingly volatile. Conduit price is, in part, based on resin prices, which are dependent on the availability of resin as well as the price of natural gas. Fluctuating raw material costs make it more cost-effective to buy conduit on an as-needed basis, asking qualified suppliers to quote prices on the quantity needed at the time. The City has used this method to procure conduit during the previous contracts, and it ensured the City was paying the lowest market price available at the time of purchase while receiving the material on time to meet scheduled needs.

In September, the Electric Utility issued RFQ 22-255, soliciting statements of qualifications from vendors interested in supplying Polyethylene/PVC Conduit for the City's spot buy needs. Only vendors determined to be qualified through this RFQ process will be allowed to provide quotes during the contract term.

**DISCUSSION:**

Advertisement Date:	09/02/2022	Notices Sent:	64
Opening Date:	09/21/2022	Planholders:	11
		Proposals Received:	03

Responses were received from the following vendors:

Power Line Supply
Universal Utility Supply
Wesco Distribution Inc.

Three vendors submitted qualifications, and all were determined to be qualified to provide price quotes and supply Polyethylene/PVC Conduit to the City. They have successfully met the issued specifications related to their business and products.

The term of the resulting contract is one year from the date of award with two, one-year options to extend.

**FISCAL IMPACT:**

CIP#:

Polyethylene/PVC conduit is expensed to the Operating Supplies account listed below. The 2022 budget includes \$4 million for supplies held in the Electric Warehouse. That amount is anticipated to increase in 2023 to accommodate price increases across the industry. The requested award can be accommodated within the Electric Utility budget.

<b>Account Number</b>	<b>Fund Description</b>	<b>Total Budget Amount</b>
40101300-541407	Operating Supplies	\$4,000,000