



Legislation Text

File #: 24-0777, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Change Order #1 to Contract 24-037, Electric Utility Supplies, to Wesco Distribution Inc. for an amount not to exceed \$500,000 and a total award of \$1,100,000

DEPARTMENT: Electric Utility

SUBMITTED BY: Brian Groth, Director of Electric Utility

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The Electric Utility (Utility) is responsible for maintaining and expanding the City's electric grid as well as purchasing and distributing power to commercial and residential customers. To meet this responsibility, an effective means of obtaining necessary materials, services and supplies is critical.

The Utility purchases routine items on a regular basis, for example, steel clamps, PVC elbows, wire, locator flags and paint, electrical tape and safety vests including other services. The Utility uses all means approved by the City procurement code to identify sources for its purchases from formal bids to vendor quotes, RFPs, and cooperative contracts.

For purchases under \$25,000, cooperative contracts are a less time-consuming approved method to obtain material, supplies and services. These purchases are made via the Sourcewell Cooperative Contract through Wesco. Wesco has the resources to locate and provide materials and services in a timely manner and maintains a wide range of materials needed to maintain the City's electric grid.

The City Council awarded Contract 24-037, Electric Utility Supplies, to Wesco Distribution Inc. on December 19, 2023 for a one-year term from January 1, 2024 to December 31, 2024. The purpose of this contract is to track small purchases under \$25,000 dollars to determine the best method of procuring goods and services.

DISCUSSION:

This Change Order is requested for additional funds through the end of the year. The Utility warehouse was able to leverage this contract to procure additional items for the warehouse such as commercial metering supplies, fiberglass conduit bends and connectors which has depleted its available funds. The additional funds will provide the warehouse and Utility department with the funds necessary to complete ongoing projects and maintenance.

FISCAL IMPACT:

CIP#: N/A

Electric Utility warehouse supplies are expensed in the Operating Supplies account listed below. In 2024, the Utility budgeted \$700,000 for supplies that are stored in their warehouse. These items will be initially expensed in the Operating Supplies account listed below; however, as they are used in various capital projects the expenses will be accounted against the proper project. The requested Change Order can be accommodated within the budget.

Account Number	Fund Description	Total Budget Amount
40101300-541407	Electric Utility Fund	\$700,000