



Legislation Text

File #: 20-1015, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of the first One-Year Extension to Contract 18-258, Electric Utility Distribution, to Meade, Inc for an amount not to exceed \$6,000,000

DEPARTMENT: Electric Utility

SUBMITTED BY: Lucille Podlesny, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The City Council awarded Contract 18-258 to Meade Inc. on December 18, 2018 for a two-year term from December 18, 2018 to December 17, 2020, with three, one-year options to extend. The purpose of this contract is to have a qualified electrical contractor that can provide all labor and equipment necessary for installation and maintenance of underground and overhead 12kV, 34kV and 138kV Electric Utility (Utility) facilities, including fiber optics, street lights, and directional boring to supplement staff.

DISCUSSION:

During the original term of the contract, Meade completed 550 jobs including overhead and underground cable installation and replacement, fiber optic cable installation, new residential/commercial installations, and street light repairs. To date \$7,791,800.80 of the original \$11,265,395.33 award has been expensed. Approximately 30% of these projects were reimbursable to the Utility.

Meade has worked collaboratively with the Utility to increase efficiencies regarding work productivity through the first two years of their contract. Additionally, Meade has continued to remain flexible through the pandemic and has provided quality service to our customers.

Based upon the vendor's performance, the Utility would like to extend the contract for the first option year. The contract award allows for up to a 3% increase for each extension year and Meade has requested a 2.5% increase for the first term. Meade and the Utility evaluated the current specifications, and determined no significant changes are required at this time. Meade's willingness to decrease the extension amount by .5% correlates to a \$300,000 savings.

The term of the first option year is December 18, 2020 to December 17, 2021, with two, one-year options remaining on the agreement.

FISCAL IMPACT:

CIP#: Various Capital Projects

The Electrical Contractor is expensed to the Infrastructure and Operational Service accounts listed below. The amounts below represent the proposed 2021 budget amounts, as the contract will primarily occur in that year. It is anticipated that there will be sufficient funds to accommodate this award.

Account Number	Fund Description	2021 Proposed Total Budget Amount
40251300-551502	Electric Utility	\$11,200,000
40251300-531308	Electric Utility	\$946,500