

STAFF REPORT UTILITY MEETING

AGENDA DATE: August 26, 2025

DEPARTMENT: Electric Utilities

TITLE:

Goods and Services Agreement with Gresco Utility Supply, Inc. for the Procurement of Distribution Transformers

SUMMARY:

Goods and Services Agreement with Gresco Utility Supply Inc. to procure numerous specified distribution transformers for the City's electrical distribution system.

BACKGROUND AND JUSTIFICATION:

The City issued an Invitation to Bid (IFB #25-106) seeking bids from responsive and responsible vendors for Distribution Transformers for the City's electrical distribution system. A total of four (4) bids were received, 3 of which were compliant and are being recommended for award. These Distribution transformers have been identified as an element of the City's Electric Utility System Hardening and Reliability Improvement Project (SHRIP) and for which bonds were sold in 2020, 2022 and 2025.

The agreement terms are one (1) year initial term with four (4) additional one (1) year renewal terms. Agreements may be renewed annually utilizing an adjustment to the prices based on the most recent annual change reported in the Consumer Price Index, All Urban Consumers, All Items, Miami-Fort Lauderdale-West Palm Beach area if requested by the Contractor.

Distribution transformers are essential devices necessary for energy delivery to the City's electric utility customers. Distribution transformers are devices that perform voltage transformation in a distribution grid. They convert the distribution feeder voltages in the distribution lines (26.4kV and 4.16kV) to suitable voltage for residential and commercial use, typically down to 120 Volts or 240 Volts.

The transformers will be installed at multiple locations on the City's electrical distribution system as a part of routine maintenance, as a result of old transformer failures, and as a part of the primary voltage conversion from 4.16kV to 26.4kV. Since the Electric Utility utilizes hundreds of such devices every year, signing multi-year contracts with suppliers will help significantly in standardizing the equipment, streamlining the procurement and improving the delivery lead times.

The IFB #25-106 compliant vendors were selected based on each vendor's specified transformer costs including freight and delivery lead time to the City's storage facilities. Non-exclusive groups of specified transformers have been allocated to each of the vendors based on the above selection criteria and serves a valid public purpose for the City.

Goods and Services Agreement negotiations with Anixter Inc., and WESCO Distribution Inc. are pending.

MOTION:

Move to approve/disapprove the Goods and Services Agreements with Gresco Utility Supply Inc. for the purchase of specified distribution transformers at a cost not to exceed \$2,500,000.00, freight included per fiscal year.

ATTACHMENT(S):

Fiscal Impact Analysis
 Agreement
 Bib Tab
 Notice of Intent to Award

FISCAL IMPACT ANALYSISFive Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	\$2,500,000	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact (If not budgeted)	0	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Electric
Division	Distribution
GL Description	Parts / General
GL Account Number	401-0000-141.02-10
Project Number	TBD
Requested Funds	\$2,500,000
Remaining Balance	N/A
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Series 2025 Consolidated Utility Revenue Bond