

STAFF REPORT UTILITY MEETING

AGENDA DATE: June 25, 2024

DEPARTMENT: Electric Utility

TITLE:

Purchase Order(s) to McWane Poles for the purchase of ductile iron utility poles

SUMMARY:

Purchase Order(s) with McWane Poles for Purchase & Delivery of Ductile Iron Poles for the City's Electric Utility under Florida Municipal Power Agency's (FMPA) Joint Purchasing Project solicitation (ITB #2021-019) at a cost not to exceed \$1,500,000. This project has 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 November 2020 and May 2022.

BACKGROUND AND JUSTIFICATION:

The FMPA was formed in 1978 to provide various services for Florida municipal-owned utilities. In July of 1994, FMPA created a joint purchasing project for the joint purchasing of services, materials, supplies and equipment utilized in the generation, transmission, and distribution of electricity. FMPA members desiring to share in the benefits of the FMPA joint purchasing project enter a project procurement agreement with FMPA. The City has been a participating member of FMPA since its inception in 1978 and signed a project procurement agreement in 1994.

Under its joint purchasing project, FMPA issued a solicitation for ductile iron poles in July of 2021, FMPA ITB# 2021-019, for the Purchase and Delivery of Ductile Iron Poles for use on electrical transmission and distribution systems. FMPA received one bid and awarded McWayne Poles. The bid award was effective through September 30, 2022. In June of 2022, the Participating Members and the awarded vendors mutually agreed to extend the award for an additional year, per the FMPA Terms and Conditions. The extension was valid until September 30, 2023. In July of 2023, the Participating Members and the awarded vendors mutually agreed to extend the award for an additional year, per the FMPA Terms and Conditions. The extension is valid until September 30, 2024. At that time, the Participating Members will consider whether to renew the award or reissue a new bid to obtain new pricing.

The City is currently implementing the Electric Utility System Hardening and Reliability Improvement Program (SHRIP). As part of the SHRIP project, wood utility poles are replaced with stronger poles to improve storm resiliency. The storm-hardening program is currently being implemented using a combination of concrete, higher-class wood poles and ductile iron poles to construct a robust electrical distribution system capable of withstanding wind-storm events. The City began installing Ductile Iron poles in 2021 as part of the storm-hardening process. There are several benefits of using ductile iron poles for storm-hardening which include; durability, low-maintenance, consistent strength, ease of installation and lower life-cycle cost when compared to concrete.

The City's Electric Utility is requesting approval for Purchase Orders to McWane for the purchase and of additional ductile iron poles. The poles to be purchased will be utilized for several storm-hardening projects at a cost not to exceed \$1,500,000 for Fiscal Year 2024.

MOTION:

Move to approve/disapprove Purchase Order(s) to McWane Poles for the purchase of ductile iron utility poles in the amount not to exceed \$1,500,000.

ATTACHMENT(S):

Fiscal Impact Analysis
 FMPA Award Extension 2023-2024

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
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)	\$1,500,000	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact <i>(If not budgeted)</i>	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	Transmission & Distribution
GL Description	Improve Other Than Build / Infrastructure
GL Account Number	421-6034-531-63-15
Project Number	Various
Requested Funds	\$1,500,000
Remaining Balance	\$24,163,828
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	2022 Bond and DOE GRIP Topic Area 2 Grant