

STAFF REPORT UTILITY MEETING

AGENDA DATE: January 31, 2023

DEPARTMENT: Electric Utility

TITLE:

Agreement with ULS Corporate, Inc. for the purchase and delivery of overhead, pole-mounted distribution transformers

SUMMARY:

Agreement with ULS Corporate, Inc. for the purchase and delivery of overhead, pole-mounted distribution transformers for the City's Electric Utility under City of Lake Worth Beach solicitation (IFB# 22-112). Materials purchased under this agreement are essential elements of the City's Electric Utility System Hardening and Reliability Improvement Project (SHRIP) and for which bonds were sold in Bond Series 2020 and 2022.

BACKGROUND AND JUSTIFICATION:

The City issued an Invitation for Bid (IFB 22-112) seeking bids from qualified vendors for the supply of overhead, pole-mounted distribution transformers. ULS Corporate, Inc. was the only vendor to bid and was found to be the most responsive and responsible bidder and was recommended for the award.

The City is currently implementing the Electric Utility System Hardening and Reliability Improvement Program (SHRIP). As part of this project, old overhead distribution transformers are replaced to improve system reliability and storm resiliency. Additionally, many locations within the service territory will be converted from 4kV to 26kV, which also requires the materials purchased under this agreement. Overhead distribution transformers purchased under this agreement will be utilized for both Capital and Operations & Maintenance projects and will be charged out to the projects accordingly. The duration of the Agreement is three (3) years, with the option to renew for two (2) additional one (1) year periods. The total cost shall not exceed \$2,750,000 per year.

MOTION:

Move to approve/disapprove the Agreement with ULS Corporate, Inc. for the purchase and delivery of overhead, pole-mounted distribution transformers at a cost not to exceed \$2,750,000 per year.

ATTACHMENT(S):

Fiscal Impact Analysis
Agreement

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

| Fiscal Years | 2023 | 2024 | 2025 | 2026 | 2027 |
|--|-------------|-------------|-------------|-------------|-------------|
| Inflows | | | | | |
| Current Appropriation | 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 | | | | | |
| Operating | 0 | 0 | 0 | 0 | 0 |
| Capital | \$2,750,000 | \$2,750,000 | \$2,750,000 | 0 | 0 |
| Net Fiscal Impact | \$2,750,000 | \$2,750,000 | \$2,750,000 | 0 | 0 |
| No. of Addn'l Full-Time Employee Positions | 0 | 0 | 0 | 0 | 0 |

| New Appropriation Fiscal Impact: | | |
|---|-----------------------------|--------------------|
| | Revenue Source | Expenditure |
| Department | Electric | |
| Division | Transmission & Distribution | |
| GL Description | Improve Other Than Build | |
| GL Account Number | 421-6034-531.63-15 | |
| Project Number | Various | |
| Requested Funds | \$2,750,000 | \$2,750,000 |