

STAFF REPORT REGULAR MEETING

AGENDA DATE: September 29, 2026

DEPARTMENT: Electric Utility

TITLE:

Wesco Distribution Change Order to Purchase Order 200765 for Medium Voltage EPR 28 kV Feeder Cable

SUMMARY:

Change Order to Purchase Order 200765 for Medium Voltage EPR, 28 kV Feeder Cable purchased from Wesco Distribution.

BACKGROUND AND JUSTIFICATION:

On December 16, 2025, the City Commission approved the purchase of 108,000 feet of 28 kV Medium Voltage EPR Feeder Cable from Wesco Distribution at a unit price of \$16.83 per foot, for a total cost of \$1,817,640, including delivery. Purchase Order No. 200765 was subsequently issued for this procurement.

The cable was delivered in multiple shipments beginning in May 2026. During the initial delivery, Wesco reported an increase in the manufacturer's price and requested that the unit price be adjusted from \$16.83 to \$19.40 per foot. In support of this request, Wesco submitted documentation demonstrating that copper and aluminum costs had increased by 28% and 48%, respectively, between the bid date and the delivery dates. Manufacturer Cable pricing also incorporates the costs of insulation and jacketing materials, labor, freight, fuel, and other manufacturing expenses.

Although City staff initially denied the requested adjustment, the accepted bid contained pricing based on the manufacturer's cost at the time of bidding. Following negotiations involving the City Attorney and City staff, Wesco agreed to pass through their direct cost increase without adding any additional markup or overhead. As a result, the negotiated price was established at \$18.658 per foot, representing an increase of \$1.828 per foot.

The cable continues to be difficult to procure at a fixed price because of volatile material costs and extended lead times. The multi-year contract tied to the Consumer Price Index was not renewed because suppliers were unable to maintain fixed pricing while satisfying material requirements. The City has pursued various short-term and long-term procurement strategies; however, suppliers have generally been unable to guarantee pricing for periods exceeding 90 days, especially for the larger quantities required for City projects.

In accordance with the terms of the contract, the final quantity delivered may vary from the estimated 108,000 feet due to standard cable packaging and reel lengths. The city has received 106,904 feet and based on the negotiated unit price adjustment is requesting approval of a \$176,974.84 change order to Purchase Order No.200765. The Change Order will be issued in the system should the item be approved.

MOTION:

Move to approve/disapprove the Wesco Distribution Change Order to the Purchase Order # 200765 increase of \$176,974.84 for the purchase of 106,904 feet of Medium Voltage EPR, 28 kV Feeder Cable at a cost of \$18.658 per foot, freight included.

ATTACHMENT(S):

Fiscal Impact Analysis

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2026	2027	2028	2029	2030
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)	\$176,974.84	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 Utility
Division	Distribution
GL Description	Parts/General
GL Account Number	401-0000-141-02-10
Project Number	TBD
Requested Funds	\$176,974.84
Remaining Balance	N/A (Inventory)
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Series 2025 Consolidated Utility Revenue Bond