

EXECUTIVE BRIEF REGULAR MEETING

AGENDA DATE: September 20, 2022

DEPARTMENT: Electric Utility

TITLE:

Second Amendment to Agreement with Gresco Utility Supply, Inc. for the purchase and delivery of distribution transformers

SUMMARY:

The Second Amendment seeks to increase the total maximum costs to be paid by the City under the Agreement for each fiscal year to a not to exceed amount of \$2,500,000.

BACKGROUND AND JUSTIFICATION:

The City of Lake Worth Beach issued a solicitation for the purchase and delivery of distribution transformers. The City reviewed the bids and issued an initial award letter to Gresco Utility Supply, Inc. for the City's distribution transformer needs for part of its System Hardening and Reliability Improvements Program (SHRIP). The City subsequently issued the First Amendment to the original Agreement to extend the term of the Agreement until February 25, 2023. Due to supply chain issues, this Second Amendment seeks to increase the total maximum costs to be paid by the City to a not to exceed amount of \$2,500,000.

The City is currently implementing the Electric Utility System Hardening and Reliability Improvement Program (SHRIP). As part of the SHRIP project, overloaded or undersized distribution transformers are replaced with larger distribution transformers and/or 4kV transformers are replaced with 26kV distribution transformers to improve reliability.

MOTION:

Move to approve/disapprove Second Amendment to Agreement with Gresco Utility Supply, Inc. for the purchase and delivery of distribution transformers at a cost not to exceed \$2,500,000 per Fiscal Year.

ATTACHMENT(S):

Fiscal Impact Analysis
Second Amendment

FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027
Capital Expenditures	\$ 0	0	0	0	0
Operating Expenditures	\$2,500,000	0	0	0	0
External Revenues	0	0	0	0	0
Program Income	0	0	0	0	0
In-kind Match	0	0	0	0	0
Net Fiscal Impact	\$2,500,000	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

B. Recommended Sources of Funds/Summary of Fiscal Impact: Funds have been identified in account 401-0000-141-02.10.

Account Number	Department Name	Division Name	Account Description	Project Number	FY23 Budget	Current Balance	Budget Transfer	Agenda Expenditure	Balance
401-0000-141-02.10	Electric	T&D	Parts / General	N/A	N/A (Inventory)	N/A	N/A	2,500,000	N/A