

STAFF REPORT REGULAR MEETING

AGENDA DATE: October 6, 2026

DEPARTMENT: Electric Utility

TITLE:

Amendment No. 2 to Powell Electrical Systems Agreement for the 11th Ave N. Substation Metal-Clad Switchgear Building

SUMMARY:

Amendment No. 2 to Agreement with Powell Electrical Systems for the design, manufacture and transportation of a Metal Clad Switchgear Building to be installed at a City Substation property at a cost not to exceed \$3,164,593.00.

BACKGROUND AND JUSTIFICATION:

The city issued an Invitation for Bid (IFB#23-102) from qualified entities to design and fabricate, single-story, stainless-steel, metal-clad switchgear buildings. Powell Electrical was determined to be the lowest and most responsible bidder. The term of the Agreement was for the initial period of three (3) years for a supply of Metal Clad Switchgear Building with the option to renew for two (2) additional one (1) year periods for the supply of additional units. During the renewal option(s), the City may utilize this Agreement to purchase an additional Metal Clad Switchgear Building(s). The First Amendment to extend the Goods and Services Agreement for one (1) year was executed July 14, 2026.

These new types of building differ from the recent new concrete relay vaults in that they provide a nearly fully enclosed substation experience. Each building ordered will contain a full suite of switchgear that is in an air controlled and highly protected environment using state of the art digital protection such as high-speed fault detection and fiber optic arc flash protection. Bringing the feeders that are normally in the environmental elements inside helps with longevity, reliability, and improved maintenance costs. Its additional benefits include isolation from animal contact and reduced structures near residential neighborhoods along with reduced construction time and costs on-site. The new buildings will contain top-level protection and communication equipment to provide complete electrical redundancy and response while maintaining a low maintenance footprint. Due to the salt air environment that resulted in previous outdoor equipment failures in the last few years, staff believes that the move to an indoor air-controlled solution will further enhance the longevity and reliability of the grid and provide our operators with more options to restore power quickly and safely.

This self-contained Metal Clad Switchgear Building 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 2025. The Metal Clad Switchgear Building deployment from Powell Electrical Systems has been accomplished at the new 6th Ave S. Substation and advances the City's electric system reliability, resiliency and grid modernization objectives and serve a valid public purpose.

It is the intention of the City to enter into the Amendment No. 2 with Powell Electrical Systems for the design, production and delivery of an additional Metal Clad Switchgear Building at the 11th Ave N Substation for the not to exceed cost of \$3,164,593.00 which includes \$150,000.00 contingency

MOTION:

Move to approve/disapprove the Amendment No. 2 with Powell Electrical Systems Agreement for the design, production and delivery of the Metal Clad Self-contained Switchgear Building at a cost of \$3,164,593.00 which includes \$150,000.00 contingency.

ATTACHMENT(S):

Fiscal Impact Analysis
Amendment No. 2

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2027	2028	2029	2030	2031
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)	\$3,164,593.00	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	Improve Other than Build/ Infrastructure
GL Account Number	421-6034-531.63-15
Project Number	SH2521
Requested Funds	\$3,164,593.00
Remaining Balance	\$14,010
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Series 2025 Consolidated Utility Revenue Bond