
PURCHASE REQUEST

TO: STEVE GIESBRECHT, BOROUGH MANAGER

FROM: KARL HAGERMAN, UTILITY DIRECTOR 

SUBJECT: PMPL TRANSFORMERS

DATE: 3/30/2022

CC: DEBBIE THOMPSON, BOROUGH CLERK
SARAH O'BROCTA, OFFICE MANAGER
PROJECT FILE

PMPL normally places an order every year to replenish our inventory of pole mounted transformers after our stock is depleted due to failures and/or used for new customer services or upgrades. This year, we had been hearing of lead times for transformer delivery becoming very lengthy, so we proactively sought pricing so that we could stay ahead of our needs.

Below is a summary of the transformer vendors that were able to quote PMPL. Two other vendors that have provided equipment to PMPL in the past were not able to offer quotes due to the volatility of the current market.

General Pacific Quoted lead time: delivery in January of 2023

<u>Qty</u>	<u>Size</u>	<u>Cost/each</u>	<u>Total Cost</u>
5	10 KVA	\$1,341.00	\$6,705.00
10	15 KVA	\$1,517.00	\$15,170.00
10	25 KVA	\$1,896.00	\$18,960.00
5	50 KVA	\$2,663.00	\$13,315.00
Total Quote			\$54,150.00

Anixter (WESCO) Quoted lead time: 100 weeks (delivery in February/March of 2024)

<u>Qty</u>	<u>Size</u>	<u>Cost/each</u>	<u>Total Cost</u>
5	10 KVA	\$2,415.00	\$12,075.00
10	15 KVA	\$2,710.00	\$27,100.00
10	25 KVA	\$3,080.00	\$30,800.00
5	50 KVA	\$4,700.00	\$23,500.00
Total Quote			\$93,475.00

**Note: Shipping from Seattle WA to Petersburg is not included in either of the quotes and is estimated to be approximately \$5,000.

Notes: Due to the volatility of the market and extreme strain on the transformer manufacturing and supply chain, General Pacific is providing "production slots" to prospective buyers. The current quote allows for delivery in January of 2023, however if PMPL does not respond with a signed PO by April 4th, our production slots will be forfeited and given to another buyer. It is unknown when we would be able to secure future slots in the production sequence. It is very important that we move forward with this Purchase Order authorization by April 4th in order to secure our production schedule and not risk running out of transformers in the future.

PMPL is seeking approval of a Purchase Order to General Pacific in the amount of \$59,150.00 to purchase the transformers as quoted and have them shipped to Petersburg. Payment will be in FY23.

The extremely long lead times will be a challenge for budgeting and approvals of future orders of many different supplies. It is hoped that Borough Administration and Assembly can be somewhat flexible in approvals of such long lead time items for the foreseeable future.

Thank you for your consideration.