

Memorandum



To: Mayor and Town Council
From: Ryan Spitzer
Date: 11/3/2023
Re: Approval of Bid for Transformer

Overview:

The Town is in the process of designing a new substation for the southern portion of town due to the growth at the Carolina Logistics Park. One of the pieces needed for the new substation is a transformer. The Town conducted a competitive IFB for a transformer and received six proposals. Howard was the lowest bidder at \$1,380,000.

The Howard bid has a 66-week delivery time from the date that the town sends them design drawings of the transformer. The Town does anticipate having the design drawings completed and approved for three (3) to five (5) months. Howard also does not require payment until delivery of the transformer unlike the other proposals.

Howard's bid also has the lowest Evaluated Costs. The Evaluated Costs is the estimated costs for the life of the transformer. This is important to know because sometimes the lowest priced transformer can have a higher Evaluated Costs, which would put the overall costs higher.

Recommendation:

Approve the bid from Howard for \$1,380,000.