

Council Meeting Staff Report

March 28, 2023

Agenda No.:	B.
Indexes (Council Goals):	* 2022 Council Goal - Investing in Infrastructure, DPU FY2022 - 1.0 Provide Safe and Reliable Utility Services, DPU FY2022 - 2.0 Achieve and Maintain Excellence in Financial Performance
Presenters:	James Alarid
Legislative File:	AGR0945-23

Title

Approval of Amendment No. 1 to Services Agreement No. AGR23-18 with Gardner Zemke Company for the Replacement of the Abiquiu Hydroelectric Plant Transformer

Recommended Action

I move that Council approve Amendment No. 1 to Services Agreement No. AGR23-18 with Gardner Zemke in the amount of \$460,093.00, plus applicable gross receipts tax, for the purpose of the Replacement of the Abiquiu Hydroelectric Plant Transformer.

Utilities Manager's Recommendation

The Utilities Manager recommends that Council approve the motion as presented.

Board, Commission or Committee Recommendation

The Board of Public Utilities approved this amendment at their regular meeting of March 15, 2023 and recommends that Council approve the motion as presented.

Body

The project will replace the existing 4160V to 69KV step-up transformer at the Abiquiu Hydroelectric Plant. In 2009, the Department of Public Utilities purchased a new transformer for the Abiquiu Hydroelectric Plant with grant funds from the American Recovery and Reinvestment Act (ARRA). Gardner Zemke has completed the new transformer installation and the only remaining work is to paint the transmission structure and service the aerial switch when the weather warms. Two unforeseen items were discovered when the plant was powered down and the conductor terminations between the transformer and the plant bus could be inspected. The flexible bus housing which serves as a weather and safety barrier over the conductor terminations was weathered and cracked. In addition, there was a braided extension adapter on each conductor to mate up with the buss bar. The new flexible buss housing cost \$11,602 and the three new flexible braided adapters cost \$14,832. This amendment increases the price of the agreement by \$26,434. The project will replace the existing 4160V to 69KV step-up transformer at the Abiquiu Hydroelectric Plant. In 2009, the Department of Public Utilities purchased a new transformer for the Abiquiu Hydroelectric Plant with grant funds from the American Recovery and Reinvestment Act (ARRA). Gardner Zemke has completed the new transformer installation and the only remaining work is to paint the transmission structure and service the aerial switch when the weather warms. Two unforeseen items were discovered when the plant was powered down and the conductor terminations between the transformer and the plant bus could be inspected. The flexible bus housing which serves as a weather and safety barrier over the conductor terminations was weathered and cracked. In addition, there was a braided extension adapter on each conductor to mate up with the buss bar. The new flexible buss housing cost \$11,602 and the three new flexible braided adapters cost \$14,832. This amendment increases the price of the agreement by \$26,434.

Alternatives

If the agreement is not approved, a means to pay for these items would need to be negotiated.

Fiscal and Staff Impact

The project was awarded in the amount of \$433,659. This amendment will increase the project cost by \$26,434, for a total project cost of \$460,093. The additional cost will be paid from the \$50,000 contingency approved with the award.

Attachments

A - AGR23-18-A1 Gardner Zemke Co._FINAL