

POSSIBLE MOTION

I MOVE TO approve the purchase order to Virginia Transformer for the purchase of a 2,000 kVA transformer in the amount of \$125,000 as quoted in manufacturers proposal No. T102301A.



Memorandum

June 16, 2010

To: Jim Dinley, Municipal Administrator
From: Christopher Brewton, Utility Director, Electric Department
Subject: Medvejie Hatchery Transformer Purchase

Request

I request Assembly approval of a \$125,000 Purchase Order to Virginia Transformer to purchase a replacement transformer for the Medvejie Hatchery.

Background:

As noted in the June 8, 2010 regular Assembly meeting, the Electric Department was authorized to transfer funds from the Marine Street Substation Voltage Regulator Project No. 90627 to fund immediate purchase and replacement of the subject transformer.

Impact:

After extensive work seeking quotes from various transformer manufacturers, Mr. Dryden has obtained a quote from Virginia Transformer that will construct a small 3-phase transformer at a very reasonable cost. All other major transformer manufacturers declined to offer a quote as this small transformer is outside the normal substation class transformers they can construct.

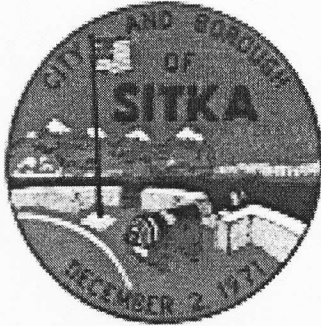
Fiscal Note:

Capital project No. 90672 has been established with the \$225,000 in funds transferred from the Marine Street Substation Voltage Regulator Project No. 90627. The estimated cost of the transformer was \$130,000 with the final price quote from Virginia Transformer of \$125,000.

Recommendation:

I recommend Assembly approval of a purchase order in the amount of \$125,000 to Virginia Transformer for the purchase of a 2,000 kVA transformer as quoted in manufacturers proposal No. T102301A.

Cc: Dave Wolff, Finance Director



City and Borough of Sitka

Electric Department
105 Jarvis Street, Sitka, Alaska 99835
(907) 747-4000, FAX (907)747-3208
www.cityofsitka.com

Robert E. Dryden, P.E., System Engineer, (907)747-1885

15 June 2010

Chris Brewton, Director
Electric Dept.

REF: Purchase of Replacement Transformer for Medvijie Substation

The Assembly has approved a budget transfer to fund an upgrade of the Medvijie Substation which feeds the Hatchery. The project has been assigned the number 90672.

Within the cost estimate provided to the assembly, the transformer was estimated to cost \$130,000 FOB Seattle. The attached final price quote from Virginia Transformer is for \$125,000 FOB Seattle. The process of selecting this bidder is described in the material furnished to the Assembly. Virginia Transformer was the only firm to respond to this request for an unusually small, high quality, substation class transformer. Virginia Transformer has successfully provided several large substation transformers to the City in the last 12 years. This is an excellent price and far less than rebuilding the units we have.

I have worked directly with the manufacturer on details such as metals used, paint quality, overall materials, etc. to assure that we are provided a very long lasting and reliable unit.

I attach a purchase request for this transformer. It is essential to get it ordered so that we can get this substation upgraded by this fall.

Robert E. Dryden P.E.
CC:

Purchase Request

From: ROBERT E. DRYDEN Date: 15 JUNE 2010

TO: Christopher Brewton, Electric Utility Director
Phone: 747-1870 Fax: 747-3208

P.O. Type

- Blanket
 Standard

Ship Via:

- GoldStreak
 UPSB/FedEx 2Day
 Surface / Barge
 Priority Mail
 FOB SEATTLE - AML

Vendor: VIRGINIA TRANSFORMER AS400 Vendor # _____
Address: 220 GLADE VIEW DR
City: ROANOKE State: VA Zip: 24012
Contact: TOM AIKENS
Phone: 208-228-0720 Fax: 208-228-9810 Toll Free: _____

Approved By: Christopher Brewton

Qty.	Unit	Description	Unit Price	Unit Total	Account #	Inventory #
1	EA	2000 KVA SUBSTATION TRANS.	\$125,000	\$125,000.00	710-630-600-5212.	000
2					PROJECT 90672	
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						

Comments

PER VIRGINIA TRANSFORMER
PROPOSAL T102301A
DATED 14 JUNE 2010

\$125,000.00 Total

Dave Wolff 6-15-10
Signature/Date
Jim Dinley
Signature/Date

Virginia Transformer Corporation
 220 Glade View Drive, NE
 Roanoke, VA 24012

PROPOSAL - T102301A

Date:	6/14/2010	Revision:	0	Date:	6/14/2010
To:	ROBERT DRYDEN CITY AND BOROUGH OF SITKA 100 LINCOLN ST. SITKA, AK 99835	Phone:	907-747-1885	Fax:	907-747-3208
		Email:	robertdryden@CityofSitka.com		
From:	Tom Aikens Virginia Transformer Corp.	Phone:	208-238-0720 ext. 222		
CC:		Fax:	208-238-9810		
Subject:	T102301A	Email:	tom_aikens@vtccorp.com		

Virginia Transformer Corp is pleased to submit the following proposal.

Virginia Transformer Corp. (VTC) custom designs and manufactures liquid-filled transformers ranging from 300KVA to 300MVA, 230 kV class and dry-type transformers including Uniclاد® encapsulated coil types up to 15MVA, 35kV class. VTC offers load tap changing transformers, drive isolation and rectifier-duty transformers, distribution control packages and other associated electrical equipment for Utility, Heavy Industry, Contractor and Distributors, Transit Systems, Engineering and Construction, and OEMs around the world. Established in Roanoke, Va., in 1971, VTC has design and manufacturing facilities in Roanoke, VA; Pocatello, ID; Chihuahua, Mexico; and design and procurement capabilities in Mumbai, India – establishing VTC's world-wide presence as a supplier of transformer solutions. VTC reserves the right to manufacture product quoted herein at any of these plants.

This proposal is Virginia Transformer's complete understanding of the specification requirements provided, and is the basis for acceptance of any resulting orders. The table below describes the salient ratings of the transformer(s) in this proposal:

COMMON FEATURES

ITEM #1	Type II Mineral L - Large Oil Power Dist.	QUANTITY 1
KVA	2000	Application Power Dist.
Cooling Class	ONAN	Avg Winding Temp Rise 65°C
# Phases	3	Dielectric Fluid Type II Mineral
Frequency (Hertz)	60	Conductor Material Copper
HV Rating (V)	69000 Delta	LV Rating (V) 12470GrdY/7200
HV Taps	2 FCAN, 2 FCBN @ 2.5%	Nom. Impedance 8.0% +-7.5% at 2000 KVA
HV BIL (kV)	350	LV BIL (kV) 110
HV Bushing Mounting	Segment III, Cover Mtd	LV Bushing Mounting Segment II, Bottom Exit
HV Terminal Chamber		LV Terminal Chamber Full ATC
Radiators	Removable w/ valves Hot-dipped Galvanized	Paint Color / Type 61 / IV URETHANE OVER ZINC RICH EPOXY
Losses	VTC Std.	Coil Type Circular

Tank Construction: Liquid Filled Transformer, Sealed Tank Construction w/ Welded Top Cover and Nitrogen Preservation System; Provisions for Jacking, Skidding, Lifting; Diagrammatic Nameplate; (2) Stainless Steel Ground Pads Welded to Base on Diagonally Opposite Corners; Manhole w / Gasketed Cover; De-energized, Manual No-Load Tap Changer; Panel-type Radiators; Cooling Fans if Forced-air Cooling is Proposed.

Gauges & standard fixtures

Liquid Temperature Gauge W/ Contacts
Pressure Vacuum Gauge W/ Bleeder
Liquid Level Gauge W/ Contact
Pressure Relief Device

Arresters

Location	Type	KV Class	MCOV	Manufacturer
HV	SC	60 *	48 *	VTC Standard

* Note – Customer to confirm arrester ratings at time of order.

Ambient Conditions

Ambient Temperature	Ambient -20/30AV/40 Max
Seismic Zone	Seismic Z3 & Z4
Altitude	Altitude < 3300 Ft

Testing

Routine per ANSI

Shipping and Handling

Total estimated weight of the unit	(34,000) Lbs
Shipping weight	(34,000) Lbs
Over all dimensions estimated	Width(138) Inches, Depth(120) Inches, Height(165) Inches
Shipping dimensions estimated	Width(168) Inches, Depth(120) Inches, Height(126) Inches
Parts shipped separate	HV Bushings & HV Arresters

Value Added Service Options

LV 200 Amp Bushing Wells provided to accept Customer's 200 Amp Load Break Elbows	Included
HV Bushings ABB Type O Plus C (ABB Part No. 069Z0412AN) or approved equal	Included
Unit designed for Full Vacuum filling	Included
Nitrogen Preservation System w/ regulators & controls located in painted enclosure	Included
Unpainted Stainless Steel Control Cabinet provided	Included
External Stainless Steel Hardware provided	Included
Standard Warranty 12/18 Months	Included
VTC Final As-Built Package (FABP)	With Order
Final as-built Drawings	With FABP
Operation & Maintenance Manual	With Shipment/FABP
Catalog cuts for components	With Drawings/FABP
Spare parts price list for five-year operation	With FABP

Shipping Schedule: 12-14 weeks A.R.O.

Quotation is valid until 7/9/2010 and for shipment by 10/29/2010.

ITEM # 1	QUANTITY: 1
Unit Price: \$125,000	Total Price: \$125,000
F.O.B. El Paso, TX; Freight Prepaid & Allowed to Port of Seattle, WA	Payment Terms: NET 30 DAYS

Payment terms (subject to credit approval):
100% invoiced at time of shipment, Net 30 days.

The Firm price offer is for shipment by October 29, 2010 and order by July 9, 2010. If shipment is delayed for customer reason, VTC Price Adjustment policy will apply with base Index of October 2010 and the final index will be that of the month of shipment. In any case, the validity of Index Price offer expires 12 months from the date of original proposal.