

Should this item be pulled from the Consent Agenda the following motion is suggested:

## **POSSIBLE MOTION**

**I MOVE TO** authorize the Municipal Administrator to execute a purchase order not to exceed \$60,000 to ABB Inc. for the procurement of a 2000kVA small power transformer.



## Memorandum

August 17, 2015

To: Mark Gorman, Municipal Administrator  
From: Bryan Bertacchi, Electric Utility Director  
Subject: ABB Inc. Small Power Transformer Purchase – Blue Lake - #90594

### **Request:**

In accordance with SGC 3.16.060(I) [specialized equipment for enterprise funds where standardization is a primary criteria] the City and Borough of Sitka Electric Department requests approval to purchase a 12,470 volt delta/12,470 volt wye small power transformer from ABB Inc. We have received one other bid from Howard Industries that did not meet our specifications. The total cost is over \$50,000.00 not including shipping from South Boston Virginia.

### **Purpose:**

This transformer is being purchased to replace an undersized 1500kVA unit at the Blue Lake substation that is presently functioning at 80% output but is at maximum operating temperature.

### **Background:**

It has been determined through normal hydro operations that the existing transformer will be exposed to harmful operating temperatures when the minimum flow requirement of 70CFS during the warmer months of April through July requires output above 80%. The Electric Department is in the process of determining the feasibility of acquiring a lower loss unit for this application; thus the requested not to exceed amount of \$60,000.00.

### **Fiscal Note:**

Sufficient funds are available in the Blue Lake Expansion project 90594 to procure and install this hydroelectric generation transformer.

### **Recommendation:**

Recommend Assembly authorize the Municipal Administrator to create a purchase order on behalf of the Assembly to ABB Inc. in the amount not to exceed \$60,000.00 for the procurement of a 2000kVA small power transformer.

Cc: Jay Sweeney, CFAO  
Sara Peterson, Municipal Clerk