



Request for Council Action

Originator Purchasing	Item Electric Services with Killmer Electrical Services - Approve Extension
Agenda Section Consent Business	Date 4/20/2015

Description

Council is requested to approve extension of the contract with Killmer Electric Co., Inc. to provide outdoor electrical services needed for City traffic signals, street lights, and park facilities. The current 2-year contract expires on April 30, 2015 and may be extended for an additional 2-year term.

Killmer Electric Co. is currently in negotiations with the labor unions and is expecting an increase to their labor rates. The current contract does not allow mid-term price increases, however, Killmer Electric Co. has asked if they can request a price increase once their labor union contracts are in place and can apply the percentage increase to the existing contract with the City.

The Traffic Maintenance staff is satisfied with the work Killmer Electric Co., Inc. has provided throughout the initial term of the contract. Staff recommends extending the current contract through April 30, 2017 with an option to request a price increase at a later date once they have entered into a contract with the labor union.

Funding for these services is budgeted annually in the Facilities and Traffic Maintenance Budgets. Expenditures for these services for 2013 were \$23,196.62 and 2014 were \$56,185.62.

The current not-to-exceed amount for this contract is \$80,000. Council is also requested to increase the not-to-exceed contract amount by \$80,000 for a total not-to-exceed amount to \$160,000 to cover the expected cost for the total 4 year contract period.

Requested Action

Approve the contract extension with Killmer Electric Co., Inc. through April 30, 2017 with an option to increase their labor rate in the future. Approve an increase to the not-to-exceed contract amount to \$160,000.00.

Attachments: