

# Agenda Report

**TO:** CITY COUNCIL **DATE:** January 22, 2001

**FROM:** CITY MANAGER

**SUBJECT:** Authorization to Enter into a Purchase Order Contract with Rome Cable Corp. for Furnishing and Delivery of 15 KV Single Conductor Triplexed EPR Insulated Cable for the Water and Power Department

## RECOMMENDATION

It is recommended that the City Council: i) accept the bid dated December 11, 2000, submitted by Rome Cable Corp. to furnish and deliver 15 kV single conductor triplexed EPR insulated cable for the Water and Power Department, ii) reject all other bids, and iii) authorize the Purchasing Administrator issue a Purchase Order Contract for a period of three-years or until \$600,000 is expended, whichever occurs first with two optional one-year extensions each not to exceed \$200,000 per year.

## BACKGROUND

Through the normal course of providing electrical service to its customers, the Water and Power Department requires a variety of parts and equipment for its electrical distribution system. Insulated cable is used throughout the electrical distribution system and must be replaced periodically to adequately maintain the system.

Over the past several years, the Department has sought to improve its material management system. As part of this approach, the Department has shifted to the use of long-term, fixed-price supply contracts to provide for the acquisition of various parts and equipment. These contracts have facilitated a reduction in the amount of on-hand inventory. Recently, the existing supply contract for cabling expired. Consequently, in order to meet the Department's continuing need, a specification was prepared.

On November 21, 2000, a Notice Inviting Bids was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were sent to ten businesses on the Purchasing Division's vendor list that manufacture and/or sell this type of product. Four responsive bids were received and opened in the City Clerk's Office on December 12, 2000.

The prices quoted for the annual estimated usage of the Department by the four responsive bidders are as follows. Southwest Power, a distributor of electric utility equipment provided bids on three different manufacturers of cable.

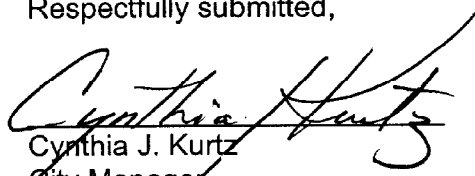
Rome Cable Corp.	\$194,846.21
Wesco Utility	\$203,551.81
Southwest Power bid no.1	\$209,799.33
Okonite Company	\$237,457.20
Southwest Power bid no.2	\$262,592.85
Southwest Power bid no.3	\$398,078.55

The bid submitted by Rome Cable Corp. was the lowest responsive bid. Based on this, it is recommended that the City Council authorize the issuance of a purchase order contract to Rome Cable Corp. for a three-year period. The contract may be extended for a period of up to two additional one-year periods, with the approval of the City Manager and without further City Council approval.

#### FISCAL IMPACT

Sufficient funds are available in the 2001 Fiscal Year Electrical Systems Capital Improvement Budget for the Power Division in account number 3002, Distribution System Expansion.


Respectfully submitted,

  
Cynthia J. Kurtz  
City Manager

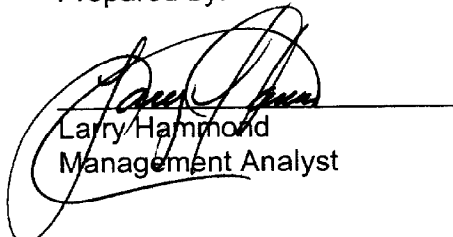
Reviewed By:

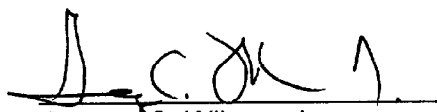
  
Steve Mermell  
Purchasing Administrator

Approved by:

  
William R. McCarley  
Interim General Manager  
Water and Power Department

Prepared by:

  
Larry Hammond  
Management Analyst

  
George C. Wilson, Jr.  
Business Unit Director  
Power Delivery Business  
Water and Power Department