

Agenda Report

DATE: December 17, 2007

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO PURCHASE ORDER CONTRACTS WITH OKONITE COMPANY AND WESCO DISTRIBUTION FOR THE FURNISHING AND DELIVERY OF 35 KV SHIELDED ETHYLENE PROPYLENE RUBBER (EPR) INSULATED CABLE, 15 KV SHIELDED ETHYLENE PROPYLENE RUBBER (EPR) INSULATED CABLE, 15 KV HIGH DENSITY POLYETHYLENE TREE WIRE AND 600V XLP INSULATED CABLES FOR PASADENA WATER & POWER DEPARTMENT.

RECOMMENDATION

It is recommended that the City Council:

1. Accept the bid dated December, 11, 2007 submitted by Okonite Company in response to Item I: 15kV Single-Conductor Triplexed EPR Insulated Cable;
2. Accept the bid dated December, 11, 2007 submitted by Okonite Company in response to Item II: Multi-Conductor EPR Insulated Cable;
3. Accept the bid dated December, 11, 2007 submitted by Wesco Distribution in response to Item III: 15kV Tree Wire;
4. Accept the bid dated December, 11, 2007 submitted by Wesco Distribution in response to Item IV: 600V AL Single-Conductor Triplexed XLP insulated Cable;
5. Accept the bid dated December, 11, 2007 submitted by Okonite Company in response to Item V: 35kV Single-Conductor Triplexed EPR insulated Cable;
6. Reject all other bids; and
7. Authorize the Purchasing Administrator to issue Purchase Orders Contracts with Okonite Company not to exceed \$6,742,784.00 for Item I, \$1,452,498.00 for Item II, and \$874,178.00 for Item V, and with Wesco Distribution not to exceed \$200,808.00 for Item III and \$739,369.00 for Item IV, per year for four years with one optional one-year extension for the same annual amounts, respectively.

Purchase Order Contracts for Cable

BACKGROUND:

Through the normal course of providing electrical service to its customers, the Water & Power Department (Department) requires a variety of parts and equipment for the electrical distribution system. This includes the use of high voltage cables such as 15kV shielded Ethylene Propylene Rubber (EPR), 35kV shielded Ethylene Propylene Rubber (EPR), 15kV High Density Polyethylene Tree Wire, and 600V insulated power cables for distribution and transmission circuit expansion; providing services to new development, and to perform regular cable replacement to maintain the electrical system.

Recently, the existing supply contract for high voltage cables expired, and Specification LD-07-10 was issued for the furnishing and delivery of various types of cable. On November 2, 2007, a Notice Inviting Bids was published in the Pasadena Star News and posted on the City's web page. In addition, specifications were mailed to sixteen businesses on the Purchasing Division's vendor list.

In response to the Notice Inviting Bids, bids were opened on Tuesday, December 11, 2007. The bid prices of the three responsive bidders are listed in the table below:

Item	Okonite	One Source	Wesco
I	\$6,742,784.00	Non Responsive	Non Responsive
II	\$1,452,498.00	Non Responsive	Non Responsive
III	NO BID	\$208,779.61	\$200,808.00
IV	NO BID	\$751,991.10	\$739,369.00
V	\$874,178.00	Non Responsive	Non Responsive

Okonite is the lowest and responsive bidder for Item I, Item II and Item V; Wesco is the lowest and responsive bidder for Item III and Item IV.

It is recommended that the City Council authorize annual purchase order contracts with Okonite for Item I, II and V; and with Wesco Distribution for Items III and IV, on the basis of being the lowest bidders complying with the Specifications on each item respectively.

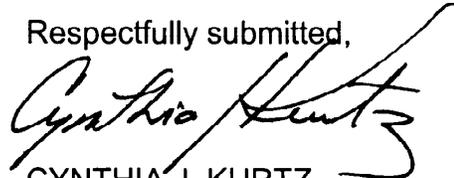
The proposed contracts are in compliance with the Competitive Bidding and Purchasing Ordinance P. M. C. 4.08, and rules and regulations promulgated there under.

Purchase Order Contracts for Cable

FISCAL IMPACT

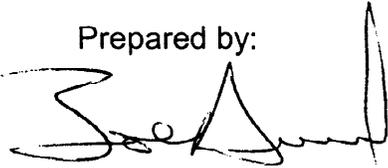
If these contracts are authorized, the Department will spend up to \$10,009,637.00 to purchase high voltage cable annually for four years, beginning in FY2008. Sufficient funds are available in the Power Capital Fund 411 to cover the funding requested. Funds have been appropriated in CIP #3090, Switchgear Upgrades of Electrical Equipment & Facilities; CIP #3137, Cable Replacement & Testing; CIP #3191, 4kV Distribution System Conversion; CIP #3161, Capacity and Reliability Sustaining Program; CIP #3002, Distribution System Expansion; and CIP #3174, Utility Underground District, for the \$2,000,000 estimated to be required in the current fiscal year. Additional funds will be requested in future capital budgets to cover all anticipated expenditures for each year.

Respectfully submitted,



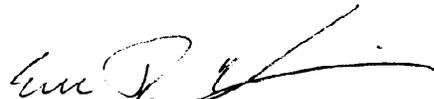
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