



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Purchase of 25,000 feet of #2AWG, 20,000 feet of 750Kcmil, and 34,000 feet of 1000Kcmil 15kV Primary Underground Cable (\$232,814.35)

MEETING DATE: April 15, 1998

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution awarding the bid for the purchase of 25,000 feet of #2AWG, 20,000 feet of #750Kcmil, and 34,000 feet of #1000Kcmil 15kV primary underground conductor to the low bidder, Pirelli Cables of Columbia, South Carolina, in the amount of \$232,814.35.

BACKGROUND INFORMATION: On March 4, 1998, the City Council approved specifications and authorized advertisement for bids.

Bid instructions requested that bidders submit both firm prices and prices subject to change based on the spot prices of copper and aluminum at the time of shipment. A summary of the bids received and opened on March 25, 1998 is attached as Exhibit A.

Staff recommends purchasing all three sizes of cable from Pirelli at their firm prices. Aluminum prices are currently near a 12-month low, while copper prices have started to increase with seasonal demand. At this point, metals prices would need to increase only about 10% in the next 12 weeks (Pirelli's delivery leadtime) for the #750Kcmil, and about 1½% in the next 12 weeks for the #2AWG, to have the lower *variable* prices eventually exceed the firm prices. This possible escalation in the cost of metals (and subsequent increase in the final purchase price of the cable) is a risk that staff prefers not to take (since copper has risen six cents in price since January, 1998).

The #2 conductor will be used in new residential subdivisions where the larger #2/0 is not appropriate for use. The 750Kcmil and 1000Kcmil sizes will be needed for construction of additional main feeders and reconstruction of existing feeder getaways at substations. Some of the projects where the 750 and 1000Kcmil cable will be used are 1) the main feeder on Century Boulevard from Cherokee Lane to Stockton Street to serve new industrial loads in the area, 2) the main feeder on Evergreen Drive to serve the developing residential area, 3) two feeder getaways at the Industrial Substation, 4) reconstruction of feeder getaways at McLane Substation, and 5) the main feeder on Turner Road from McLane Substation to Evergreen Drive.

A portion of this purchase will also be used to provide an inventory for routine or emergency maintenance of the existing electrical system.

FUNDING: Electric Utility Department Operating Fund, Page E-22

Alan N. Vallow, Electric Utility Director

Funding Approved:

Vicky McAthie, Finance Director

Prepared by Joel Harris, Purchasing Officer

APPROVED:

H. Dixon Flynn -- City Manager

RESOLUTION NO. 98-59

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE BID FOR THE PURCHASE OF
UNDERGROUND PRIMARY ELECTRICAL CONDUCTOR

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WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on March 25, 1998 at 11:00 a.m. for the purchase of 25,000 Feet #2AWG, 20,000 Feet 750Kcmil, and 34,000 feet of 1000Kcmil 15kV Primary Underground Conductor, described in the specifications therefore approved by the City Council on March 4, 1998; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as shown on the attached marked Exhibit A; and

WHEREAS, the City Manager recommends award of the bid for the purchase of Primary Underground Cable be made to the low bidder, Pirelli Cable of Columbia, South Carolina; and

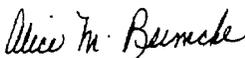
NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the award of the bid for the purchase of Primary Underground Conductor, be and the same is hereby awarded to Pirelli Cable of Columbia, South Carolina, the low bidder in the amount of \$232,814.35.

Dated: April 15, 1998

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I hereby certify that Resolution No. 98-59 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 15, 1998, by the following vote:

- AYES: COUNCIL MEMBERS - Johnson, Land, Mann, Pennino and Sieglock (Mayor)
- NOES: COUNCIL MEMBERS - None
- ABSENT: COUNCIL MEMBERS - None
- ABSTAIN: COUNCIL MEMBERS - None


ALICE M. REIMCHE
City Clerk

SUMMARY OF BIDS
 MARCH 25, 1998
15KV PRIMARY CONDUCTOR
 B-2864
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FIRM PRICING:

	PIRELLI CABLE	BICC CABLES	WESCO	WESCO (AIL #1)	WESCO (AIL #2)	PLATT
25,000 ft #2AWG	\$881.00/M'	\$898.07/M' ¹	\$908.08/M' (Hendrix)	\$948.76/M' ² (Southwire)	\$908.08/M' (Hendrix)	No Bid
TOTAL, DEL'D	\$23,731.94	\$24,191.76	\$24,461.41	\$25,557.22	\$24,461.41	
20,000 ft #750Kcmil	\$3,147.00/M'	\$3,285.23/M'	\$3,190.23/M' ³ (Southwire)	\$3,190.23/M' ³ (Southwire)	\$3,483.84/M' (Hendrix)	No Bid
TOTAL, DEL'D	\$67,817.85	\$70,796.71	\$68,749.46	\$68,749.46	\$75,076.75	
34,000 ft #1000Kcmil	\$3,856.00/M'	\$4,061.27/M'	\$4,013.53/M' ³ (Southwire)	\$4,013.53/M' ³ (Southwire)	\$4,437.37/M' (Hendrix)	No Bid
TOTAL, DEL'D	\$141,264.56	\$148,784.63	\$147,035.67	\$147,035.67	\$162,563.05	
DEL'Y (Weeks ARO)	12	7	10 (#2); 8-10 (750 & 1000)	8-10	10	
TERMS	NET 30	NET 30	NET 30	NET 30	NET 30	

PRICES SUBJECT TO CHANGE:

	PIRELLI CABLE	BICC CABLES	WESCO	WESCO (AIL #1)	WESCO (AIL #2)	PLATT
25,000 ft #2AWG	\$855.00/M'	\$883.75/M' ¹	\$896.97/M' (Hendrix)	\$942.74/M' ² (Southwire)	\$896.97/M' (Hendrix)	\$957.25/M' ² (Southwire)
TOTAL, DEL'D	\$23,031.56	\$23,806.02	\$24,162.13	\$25,395.06	\$24,162.13	\$25,785.92
20,000 ft #750Kcmil	\$3,053.00/M'	\$3,208.63/M'	\$3,167.20/M' ³ (Southwire)	\$3,167.20/M' ³ (Southwire)	\$3,308.08/M' (Hendrix)	\$3,215.93/M' ³ (Southwire)
TOTAL, DEL'D	\$65,792.15	\$69,145.98	\$68,253.16	\$68,253.16	\$71,289.12	\$69,303.29
34,000 ft #1000Kcmil	\$3,899.00/M'	\$3,860.38/M'	\$3,983.04/M' ³ (Southwire)	\$3,983.04/M' ³ (Southwire)	\$4,141.41/M' (Hendrix)	\$4,044.32/M' ³ (Southwire)
TOTAL, DEL'D	\$142,839.87	\$141,425.02	\$145,918.67	\$145,918.67	\$151,720.56	\$148,163.66
DEL'Y (Weeks ARO)	12	7	10 (#2); 8-10 (750 & 1000)	8-10	10	8-10
TERMS	NET 30	NET 30	NET 30	NET 30	NET 30	NET 30
	PIRELLI CABLE	BICC CABLES	WESCO	WESCO (AIL #1)	WESCO (AIL #2)	PLATT

METALS PRICES:

AL (per lb)	5.70	5.7028	5.74	5.71	5.74	5.7106
CU (per lb)	5.80	5.8210	5.755	5.76	5.755	5.7552

POUNDS/1000' WIRE

#2AWG	AL	62	62	62.3	62.2	62.3	62.2
	CU	130	133	130	132.6	130	132.6
750Kcmil	AL	700	704	702.95	702.95	704	702.95
	CU	517	510	506.72	506.72	506	506.72
1000Kcmil	AL	934	939	937.25	937.25	938.7	937.25
	CU	683	675	670.73	670.73	681	670.73

Footnotes:

1. Bidder offers #2 conductor shipped on reels with weather-resistant black HDPE covering instead of paper
2. Bidder offers conductor on Reel Type N62
3. Bidder offers conductor on Reel Type N17J-W