



# CITY OF LODI

# COUNCIL COMMUNICATION

**AGENDA TITLE:** Adopt resolution rejecting the low bids from Hendrix Wire and Cable Co. and Pirelli Power Cables for failure to meet specifications, and award the bid for the purchase of 78,500 ft., total, of 750 kcmil, #4/0 and #1/0 AWG, 15 kV, EPR insulated underground cables to the low bidder, The Okonite Company, of San Ramon, CA, in the amount of \$137,241.19 (EUD).

**MEETING DATE:** June 18, 2003

**SUBMITTED BY:** Electric Utility Director

**RECOMMENDED ACTION:** That the City Council adopt the attached resolution rejecting the low bids from Hendrix Wire and Cable Co. and Pirelli Power Cables for failure to meet specifications, and award the bid for the purchase of 78,500 ft., total, of 750 kcmil, #4/0 and #1/0 AWG, 15 kV, EPR insulated underground cables to the low bidder, The Okonite Company, of San Ramon, CA, in the amount of \$137,241.19

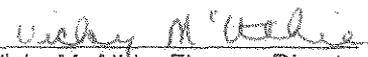
**BACKGROUND INFORMATION:** At the meeting of May 7, 2003, the City Council approved specifications and authorized advertisement for bids for various sizes and lengths of 15 kV underground cable. The specifications requested bids on two different types of cable insulation, namely crosslinked polyethylene (TR-XLPE) and ethylene propylene rubber (EPR) with different sizes within each type. The bidders were informed that the City was in the process of evaluating the two types of cable and that only a portion of the cables being bid would actually be purchased.

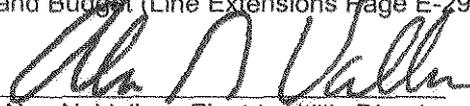
Following the bid opening on May 28, 2003, all the bids received were evaluated and similar cable sizes within each insulation type were compared. This cost comparison over the cables' life coupled with a number of other advantages gained by using EPR insulation yields the recommendation to award the bid for the actual cable requirements to the low bidder meeting the specifications, The Okonite Company of San Ramon. The low monetary bidders, Hendrix Wire and Cable Co. in all categories and Pirelli Power Cables in the #4/0 AWG category, did not meet the specifications and therefore, it is recommended to reject these bids.

Some of the advantages with EPR cable over TR-XLPE are: longer expected service life; cable is more flexible resulting in easier installation with associated labor savings; cable has higher ampacity (load carrying capability); is resistant to "treeing", a phenomenon causing cable failure in TR-XLPE cables. EPR insulated cable has been adopted as the standard by several area utilities, including PG&E, Merced and Turlock Irrigation Districts.

The low monetary bidders have been contacted and the discrepancies from the specifications discussed. These bidders understand the reasons for the recommendation to award to the next lowest bidder.

**FUNDING:** Available within the Department's Financial Plan and Budget (Line Extensions Page E-29)

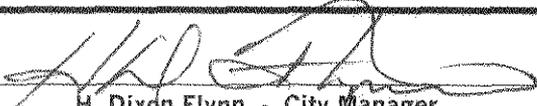
  
Vicky McAthie, Finance Director

  
Alan N. Vallow, Electric Utility Director

**PREPARED BY:** Hans Hansen, Manager, Engineering and Operations

Attachment (bid evaluation)  
c: City Attorney  
Purchasing Officer

**APPROVED:**

  
H. Dixon Flynn - City Manager

**Bid Evaluation**

Medium Voltage Cable with EPR Insulation

May 2003

<b>22,500 ft. of 750 kcmil</b>			
Bidder	Price incl. tax. (\$)	Comments	Delivery (weeks)
<b>The Okonite Company</b>	<b>72,052.43</b>		1-3
Pirelli Power Cables	76,319.33		12-14
Page Elect. Co. CME Wire & Cable	84,004.59		12
The Kerite Company	93,066.91		6-8
Western States, Kerite	95,447.64		7-9
Hendrix Wire and Cable Co.	71,664.53	Bid TR-XLPE type cable	8
ILJIN Electric Co., Ltd.	No bid		
Nexans Energy USA, Inc.	No bid		
Southwire Company	No bid		

<b>10,000 ft. of #4/0 AWG</b>			
Bidder	Price incl. tax. (\$)	Comments	Delivery (weeks)
<b>The Okonite Company</b>	<b>13,888.98</b>		1-3
Page Elect. Co. CME Wire & Cable	14,223.00		12
The Kerite Company	16,326.28		6-8
Western States, Kerite	16,744.35		7-9
Hendrix Wire and Cable Co.	12,800.70	Bid TR-XLPE type cable	8
Pirelli Power Cables	13,608.83	Did not meet specifications	12-14
ILJIN Electric Co., Ltd.	No bid		
Nexans Energy USA, Inc.	No bid		
Southwire Company	No bid		

<b>46,000 ft. of #1/0 AWG</b>			
Bidder	Price incl. tax. (\$)	Comments	Delivery (weeks)
<b>The Okonite Company</b>	<b>51,299.78</b>		1-3
Pirelli Power Cables	52,291.08		12-14
Page Elect. Co. CME Wire & Cable	53,877.16		12
The Kerite Company	67,086.23		6-8
Western States, Kerite	68,796.22		7-9
Hendrix Wire and Cable Co.	51,200.65	Bid TR-XLPE type cable	8
ILJIN Electric Co., Ltd.	No bid		
Nexans Energy USA, Inc.	No bid		
Southwire Company	No bid		

RESOLUTION NO. 2003-103

A RESOLUTION OF THE LODI CITY COUNCIL  
REJECTING THE LOW BIDS AND AWARDING THE  
BID FOR THE PURCHASE OF VARIOUS SIZES OF  
15 KV EPR INSULATED UNDERGROUND CABLE

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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 May 28, 2003, at 11:00 a.m. for 78,500 feet of 750 kcmil, #4/0 and #1/0 AWG, 15 kV, EPR insulated underground cables, described in the specifications therefore approved by the City Council on May 7, 2003; 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 specifications requested bids on two different types of cable insulation, namely crosslinked polyethylene (TR-XLPE) and ethylene propylene rubber (EPR) with different sizes within each type. The bidders were informed that the City was in the process of evaluating the two types of cable and that only a portion of the cables being bid would actually be purchased; and

WHEREAS, following the bid opening on May 28, 2003, all the bids received were evaluated and similar cable sizes within each insulation type were compared. This cost comparison over the cables' life coupled with a number of other advantages gained by using EPR insulation yields the recommendation to award the bid for the actual cable requirements to the low bidder meeting the specifications, The Okonite Company, of San Ramon. The low monetary bidders, Hendrix Wire and Cable Co. in all categories and Pirelli Power Cables in the #4/0 AWG category, did not meet the specifications, and therefore, it is recommended to reject these bids; and

WHEREAS, some of the advantages with EPR cable over TR-XLPE are: longer expected service life; cable is more flexible resulting in easier installation with associated labor savings; cable has higher ampacity (load carrying capability); and is resistant to "treeing", a phenomenon causing cable failure in TR-XLPE cables. EPR insulated cable has been adopted as the standard by several area utilities, including PG&E, Merced, and Turlock Irrigation Districts; and

WHEREAS, the City Manager recommends rejecting the low bids from Hendrix Wire and Cable Co. and Pirelli Power Cables for failure to meet specifications, and further recommends awarding the bid for the purchase of 78,500 feet total of 750 kcmil, #4/0 and #1/0 AWG, 15 kV, EPR insulated underground cables to the next responsible bidder, The Okonite Company, of San Ramon, California, in the amount of \$137,241.19.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby reject the low bids from Hendrix Wire and Cable Co. and Pirelli Power Cables for failure to meet specifications, and further awards the bid for the purchase of 78,500 feet total of 750 kcmil, #4/0 and #1/0 AWG, 15 kV, EPR insulated underground cables to the next responsible bidder, The Okonite Company, of San Ramon, California, in the amount of \$137,241.19.

Dated: June 18, 2003

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I hereby certify that Resolution No. 2003-103 was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 18, 2003, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hansen, Howard, Land, and Mayor Hitchcock

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON  
City Clerk

# EXHIBIT A

**Bid Evaluation**

Medium Voltage Cable with EPR Insulation

May 2003

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Hendrix Wire and Cable Co.	71,664.53	Bid TR-XLPE type cable	8
ILJIN Electric Co., Ltd.	No bid		
Nexans Energy USA, Inc.	No bid		
Southwire Company	No bid		

10,000 ft. of #470 AWG			
Bidder	Price incl. tax. (\$)	Comments	Delivery (weeks)
The Okonite Company	13,888.98		1-3
Page Elect. Co. CME Wire & Cable	14,223.00		12
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46,000 ft. of #170 AWG			
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