

**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt a resolution authorizing the City Manager to increase the appropriation on the Professional Services Agreement with Power Engineers, Inc. for engineering services associated with the Killelea Substation reconstruction project (\$51,000) (EUD)

MEETING DATE: November 17, 2004

SUBMITTED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to increase the appropriation on the Professional Services Agreement with Power Engineers, Inc. for engineering services associated with the Killelea Substation reconstruction project in an amount of \$51,000.

BACKGROUND INFORMATION: On August 6, 2003, the City Council adopted a resolution authorizing the City Manager to enter into a professional services agreement with Power Engineers, Inc. (Power) to provide engineering services for the Killelea Substation reconstruction project. This action also provided \$295,000 in funding for the engineering/design phase of the project with \$284,983 being Power's cost based on the scope of work outlined in their proposal. As the design progressed, it became evident that it would be in the City's best long term interest to make some changes to the design even though such changes would increase the design cost. The major changes are discussed briefly below.

At the 90% completed drawing review it was apparent that, although legal, inadequate space existed to get service equipment in between and around the 12 kV overhead bus. Access would have been available only from the south. This was primarily caused by the marginal dimension of the property in the north-south direction coupled with the necessity of having to install a 60 kV steel pole to avoid impacting and relocating major PG&E owned facilities in the area. This problem was resolved by redesigning the 12 kV bus structure and shifting the north entrance gate 10 ft. easterly. However, the design of the drainage system, conduit system and site paving had to be modified.

During the design period, the next generation of solid state relays were introduced. These new relays combine several relays into one unit and add some features not available in the single units. In addition they are capable of interfacing with the SCADA system for control and operation as well as providing real time system data. These new features were evaluated and found to be advantageous to Lodi's electric system and therefore, incorporated into the final design. The benefit to Lodi is less spare parts, less maintenance, less staff training and significant improvement to system protection and service reliability.

The Killelea Substation has been chosen as the site where the fiber optic system, now being installed, will connect to the "outside world". In order to provide adequate space for the necessary equipment and

APPROVED:

A handwritten signature in black ink, appearing to read "Janet S. Keeter".
Janet S. Keeter, Interim City Manager

Killelea Substation, Professional Services Agreement appropriation increase (continued).

Date: November 17, 2004

Page 2 of 2

not construct a separate fiber optic equipment building the substation control building was modified to accommodate the fiber optic equipment.

It should be noted that this project also includes installation of two 60 kV circuit breakers including relays, steel structures and high voltage bus at Industrial Substation to accommodate the new Killelea Substation.

Project cost:

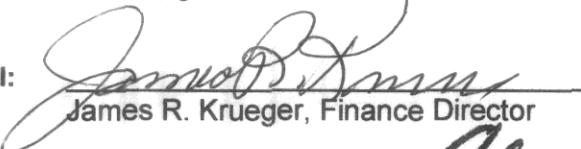
Study and evaluation (prior item):	\$32,000
Engineering design (authorized August 6, 2003):	295,000
Engineering design increase (this item):	51,000
Land acquisition and demolition (estimated):	185,000
Construction and construction management (estimate, future City Council action):	<u>4,300,000</u>
Total estimated project cost:	\$4,863,000

FUNDING: It is recommended that this \$51,000 appropriation increase be made from existing budgeted funds for the project.

Financial Plan and Budgets:

1999-2001:	\$1,685,000 (Page E28 and E29)
2001-2003:	\$1,750,000 (Page E33)
2003-2005:	<u>\$1,542,000</u> (Page E50)
Total budget:	\$4,977,000

Funding Approval:


James R. Krueger, Finance Director


Alan N. Vallow
Electric Utility Director

PREPARED BY: Hans Hansen, Manager, Engineering and Operations

ANV/HH/lst

cc: City Attorney

RESOLUTION NO. 2004-251

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO INCREASE THE APPROPRIATION
ON THE PROFESSIONAL SERVICES AGREEMENT WITH
POWER ENGINEERS, INC., FOR ENGINEERING SERVICES
ASSOCIATED WITH THE KILLELEA SUBSTATION
RECONSTRUCTION PROJECT

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to increase the appropriation on the Professional Services Agreement with Power Engineers, Inc., for engineering services associated with the Killelea Substation Reconstruction Project in the amount of \$51,000.

Dated: November 17, 2004

=====

I hereby certify that Resolution No. 2004-251 was passed and adopted by the Lodi City Council in a regular meeting held November 17, 2004, by the following vote:

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

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON
City Clerk