



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt resolution approving Negative Declaration 06-01 as adequate environmental documentation for the proposed Killelea Substation Rehabilitation Project (EUD)

MEETING DATE: April 18, 2007

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution approving Negative Declaration 06-01 as adequate environmental documentation for the proposed Killelea Substation Rehabilitation Project.

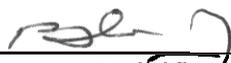
BACKGROUND INFORMATION: Killelea Substation was constructed in 1965. The 12kV section of the substation contains enclosed metal-clad switchgear. The manufacturer of this equipment is no longer in business, making parts extremely difficult to locate. The Substation design is such that a failure of one portion of the insulated bus would likely escalate throughout the entire switchgear resulting in a total **loss** of the station.

For system reliability enhancement, the Reconstruction Project of Killelea Substation was developed in 2005. The City Council approved the award of construction work to Rosendin Electric on December 21, 2005. The contract signing process was halted by the Electric Utility Department in February 2006 to allow the new Electric Utility Director to review and explore lower cost alternatives to a full reconstruction. After further evaluation, a Scaled-Back Project for Killelea Substation was developed that includes a majority of the original project features without the 60kV structure and power equipment, utilizing the two existing power transformers, and installing a new indoor-type 12kV switchgear in a new control building. This project change was coordinated with the City of Lodi Community Development Department for CEQA compliance.

On May 3, 2006, the City Council approved cancellation of the Reconstruction Project and authorized design of the Scaled-Back Project. Engineering and design services were awarded by the City Council to Power Engineers on October 18, 2006 and the project was later renamed the 'Killelea Substation Rehabilitation Project'. Project plans, drawings and specifications were completed and consolidated into a single contract document. For purposes of improving system reliability, staff recommends City Council approval of the plans, drawings and specifications of the Killelea Substation Rehabilitation Project.

In relation to this project, the Community Development Department conducted an initial environmental study in compliance with the California Environmental Quality Act of 1970 (CEQA). The CEQA requires that projects be reviewed for their potential to create environmental impacts. The process requires that potential areas of impact be identified and a level of significance assessed. Staff prepared an Initial Study/Negative Declaration to review and assess potential impacts. The proposed Initial Study/Negative Declaration was sent to various agencies for review; published, and the intent to issue a Negative Declaration posted for the required 30-day period, (from March 22, 2006 through May 21, 2006). The City did not receive any written comments from any reviewing agencies concerning environmental impacts of this project. Therefore, staff suggests City Council approval of Negative Declaration 06-01 as adequate environmental documentation for the Killelea Substation Rehabilitation project.

Upon approval by the City Council of the updated project plans, drawings and specifications, staff will determine what scope/cost changes are necessary to the Rosendin Electric Construction agreement. If changes satisfactory to staff can be developed with Rosendin Electric, a revised construction agreement will be brought to City Council for review/approval.

APPROVED: 
Blair King, City Manager

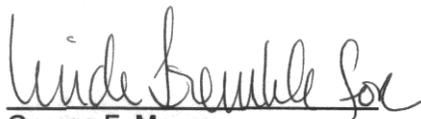
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FISCAL IMPACT: None. Project was scheduled and listed as a bond project. The estimated completion date is April 2008.

FUNDING AVAILABLE: Bond proceeds are allocated in Account No. 161677 for the project in the amount of \$3,678,444. Any necessary change in total project costs will be addressed prior to the construction phase of the project.



George F. Morrow
Electric Utility Director

PREPARED BY: Demy Bucaneg, Jr., P.E., Manager, Engineering & Operations

GFM/DB/st

RESOLUTION NO. 2007-68

A RESOLUTION OF THE LODI CITY COUNCIL ADOPTING THE
NEGATIVE DECLARATION AS ADEQUATE ENVIRONMENTAL
DOCUMENTATION FOR THE KILLELEA SUBSTATION
REHABILITATION PROJECT

WHEREAS, an Initial Study/Negative Declaration (File No. ND-06-01) was prepared in compliance with the California Environmental Quality Act of 1970, as amended, and the Guidelines provided thereunder. The Community Development Department has determined that all environmental impacts that result from this project can be mitigated to a less than significant level; and

WHEREAS, all of the required referrals, notice, and posting have been performed for the required time per the Act and Guidelines referred to above; and

WHEREAS, staff recommends that the City Council approve the filing of a Negative Declaration by the Community Development Director as adequate environmental documentation for the project.

NOW, THEREFORE, BE IT RESOLVED that the City Council has reviewed all documentation and hereby adopts the Negative Declaration as adequate environmental documentation for the Killelea Substation Rehabilitation Project.

Dated: April 18, 2007

I hereby certify that Resolution No. 2007-68 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 18, 2007, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Katzakian, Mounce, and Mayor Johnson

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



RANDI JOHL
City Clerk