



CITY OF LODI
COUNCIL COMMUNICATION

AGENDA TITLE: Approve the sale of surplus overhead all aluminum (AA) conductor and related material to Merced Irrigation District
MEETING DATE: June 21, 2006
PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council approve the sale of surplus overhead all aluminum (AA) conductor (715 and 954 kcmil sizes) and related material to Merced Irrigation District (Merced).

BACKGROUND INFORMATION: The overhead AA conductor and related material were originally purchased in 1998 for two electric utility capital projects, neither of which have been constructed. The two projects were the construction of a 12 KV distribution circuit to Woodbridge Irrigation District and the construction of a 60 KV transmission line to the west (White Slough). These projects were discontinued and there are no plans of constructing them in the immediate future. Additionally, the Electric Utility Department (EUD) does not expect to have other needs to utilize the material in the foreseeable future. (Note: EUD is retaining some 954 kcmil wire in inventory for planned local sub-transmission use.)

On May 3, 2006, the City Council authorized advertisement for bids for the sale of these surplus materials. A single bid was received from Merced offering a lump sum of \$302,478 for the materials listed in Exhibit A. A 7.75% sales tax will be assessed for a total cost of \$325,940.05. Full payment of this purchase price shall be made no later than June 28, 2006.

The sale of the surplus materials will provide EUD additional revenue in this fiscal year and is therefore recommended for approval.

FISCAL IMPACT: Revenue generated: \$302,478.00

FUNDING: Account Credited: 1601.5391
Ruby R. Paiste
Ruby Paiste, Interim Finance Director

Sondra Huff for:
George F. Morrow, Electric Utility Director

Prepared By: Demy Bucaneg, Jr. -P.E., Sr. Power Engineer
GFM/DB/ke
Attachment

APPROVED: *James R. King*
for Blair King, City Manager

SURPLUS CONDUCTOR AND MATERIAL
RECOMMENDED FOR DISPOSAL
MAY 3, 2006

Inventory Number	Description	QUANTITY	Unit Cost	Total Cost
118-0075	715.5 kcmil AA CONDUCTOR	179,855'	0.80	143,884.00
118-0516	715.5 kcmil DEAD END SHOE	112	21.92	2,455.04
118-2055	715.5 kcmil TENSION SLEEVE	64	19.34	1,237.76
118-2072	715.5 kcmil JUMPER SLEEVE	35	13.67	478.45
118-5045	15KV POST INSULATOR	713	17.89	127,555.7
118-7317	715.5 kcmil PREFORMED TIE	749	5.78	4,329.22
118-7324	715.5 kcmil PREFORMED SIDE TIE	48	4.85	232.80
218-0095	954 kcmil AA CONDUCTOR	99,120'	1.04	103,084.80
218-7232	954 kcmil LINE GUARD	450	12.84	5,778.00
218-8634	954 kcmil SADDLE CLAMP TSC-200	350	6.17	2,159.50
	115 kV kcmil POST INSULATOR	108	261.23	28,212.84
	HORIZONTAL CLAMP ADAPTER	77	27.04	2,082.08
	HORIZONTAL MOUNTING BASE	77	43.38	3,340.26
	POLE TOP BRACKET	31	121.21	3,757.51
	954 kcmil SADDLE CLAMP ACTS-150	108	5.59	603.72
	115 kV SWITCH W-TRI	1	5006.28	5,006.28
	115 kV SWITCH W-3D	1	4610.68	4610.68
	VERTICAL CLAMP ADAPTER	31	30.96	959.76
	SPADE TERMINAL (SWITCH)	12	65.33	783.96
			Total	325,752.23