



CITY OF LODI
COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Awarding Contract for Underground Cable Rejuvenation to Novinium, Inc. (\$101,972) (EUD)

MEETING DATE: April 15, 2009

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution awarding a contract for the rejuvenation of 13,200 feet of underground electric cable in the Royal Crest Subdivision to Novinium, Inc. of South Kent, WA in the amount of not to exceed \$101,972.

BACKGROUND INFORMATION: On January 21, 2009 the City Council approved the specifications and authorized the advertisement for bids to rejuvenate 13,200 feet of underground electric cable in the Royal Crest subdivision. This is one of the areas within the City limits where distribution circuits have direct-buried underground primary and secondary electric cables.

A majority of these direct-buried cables are more than 30 years old and are nearing the end of their reliable lives. There have been number of cable failures due to insulation weakness that led to main feeder power outages. The cost of replacing the direct-buried underground system with new cable in new conduit is very expensive. Rejuvenating the insulation of direct-buried cables through the injection of polymer is a possible cost-effective option. The cost of cable rejuvenation is estimated to be approximately half of the cost of replacing direct-buried cables.

On January 29, 2009, the Electric Utility Department (EUD) advertised bid documents for the rejuvenation of 13,200 feet of direct buried cable in the Royal Crest subdivision. On February 25, 2009 staff received bid proposals with the following results:

Novinium, Inc., South Kent, WA	\$101,972
UtilX, Inc., Kent, WA	\$109,881

Staff reviewed, tabulated, compared and thoroughly analyzed the proposals of both Novinium and UtilX. Staff also consulted the City Attorney's Office during the bid evaluation process. Novinium was the low bidder and is found to be compliant with the bid documents and scope of work. Staff checked and confirmed the experience, knowledge and expertise of Novinium from other electric utilities that used their services for this type of services.

Cable rejuvenation involves pressure injecting old cable with a silicon product. This treatment is expected to extend the life of underground cable by 40 years or more. Digging would be needed only if existing cables are found to be spliced. Otherwise, no disruptive excavation would be needed. All cable terminations will be replaced with new elbows that are specially suited for the cable injection pressure.

APPROVED: 
Blair King, City Manager

Adopt Resolution Awarding Contract for Underground Cable Rejuvenation to Novinium, Inc. (\$101,972) (EUD)

April 15, 2009

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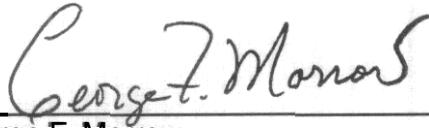
As noted above, the cost of rejuvenating direct-buried underground cables has been found by electric utilities to be less expensive than the cable replacement alternative. The time it takes to treat underground cable is extremely short in comparison to replacement of cable. As a result, electric service disruptions to customers during construction will be reduced accordingly. Novinium is expected to complete this process for the entire Royal Crest Subdivision within 120 working days from the date of "Notice to Proceed".

For purposes of extending the useful life of existing direct-buried underground cables, preventing cable failures and minimizing prolonged power outages, staff hereby recommends awarding the cable rejuvenation services contract in the Royal Crest Subdivision to Novinium, Inc. of South Kent, **WA** in an amount of not to exceed \$101,972.

FISCAL IMPACT: Not to exceed \$101,972

FUNDING: Fiscal Year 2008-09 Budget Account No. 160651.7730


Jordan Ayers
Deputy City Manager/Internal Services Director


George F. Morrow
Electric Utility Director

Prepared By: Demy Bucaneg, Jr., P.E., Assistant Electric Utility Director
Weldat Haile, P.E., Senior Power Engineer

GFM/ /lst

Attachments

**SILICONE INJECTION OF UNDERGROUND CABLE
ROYAL CREST SUBDIVISION****CONTRACT**

CITY OF LODI, CALIFORNIA

THIS CONTRACT made by and between the CITY OF LODI, State of California, herein referred to as the "City," and NOVINIUM, INC., herein referred to as the "Contractor."

WITNESSETH:

That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other, as follows:

The complete Contract consists of the following documents which are incorporated herein by this reference, to-wit:

Notice Inviting Bids	The Latest Edition of
Information to Bidders	Standard Specifications,
General Provisions	State of California,
Special Provisions	Business and Transportation Agency,
Bid Proposal	Department of Transportation
Contract	
Contract Bonds	
Plans	

All of the above documents, sometimes hereinafter referred to as the "Contract Documents." are intended to cooperate so that any work called for in one and not mentioned in the other is to be executed the same as if mentioned in all said documents.

ARTICLE I - That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the City and under the condition expressed in the two bonds bearing even date with these presents and hereunto annexed, the Contractor agrees with the City, at Contractor's cost and expense, to do all the work and furnish all the materials except such as are mentioned in the specifications to be furnished by the City, necessary to construct and complete in a good workmanlike and substantial manner and to the satisfaction of the City the proposed improvements as shown and described in the Contract Documents which are hereby made a part of the Contract.

ARTICLE II - The City hereby promises and agrees with the Contractor to employ, and does hereby employ, the Contractor to provide all materials and services not supplied by the City and to do the work according to the terms and conditions for the price herein, and hereby contracts to pay the same as set forth in Section 5-600, "Measurement, Acceptance and Payment," of the General Provisions, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

ARTICLE III - The Contractor agrees to conform to the provisions of Chapter 1, Part 7, Division 2 of the Labor Code. The Contractor and any Subcontractor will pay the general prevailing wage rate and other employer payments for health and welfare, pension, vacation, travel time, and subsistence pay, apprenticeship or other training programs. The

responsibility for compliance with these Labor Code requirements is on the prime contractor.

ARTICLE IV - And the Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this agreement; also for all loss or damage arising out of the nature of the work aforesaid or from the action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by the City. and for all risks of every description connected with the work: also for all expenses incurred by or in consequence of the suspension or discontinuance of work and for well and faithfully completing the work, and the whole thereof, in the manner and according to the Plans and Contract Documents and the requirements of the Engineer under them, to-wit:

The work consists of performing cable testing, analysis, preparation and restoration of insulation integrity utilizing silicone injection technique to improve the life expectancy of certain cables within the City of Lodi's 12 kV underground distribution system and other incidental and related work, all as shown on the plans and specifications for the above project.

CONTRACT ITEMS

ITEM NC	DESCRIPTION	UNIT	EST'D. QTY	UNIT PRICE	TOTAL PRICE
1.	Cable Testing and Analysis (including Crew Daily Rate)	LS	10	\$3,120.00	\$31,200.00
2.	Silicone Injection of 12 kV cable for #2 AWG 220 mi	LF	8,600	\$4.49	\$38,614.00
3.	Silicone Injection of 12 kV cable for 1/0 AWG 220 mil	LF	4,600	\$4.49	\$20,654.00
4.	Injection Accessories (Connectors, Elbows, Adapters)	LS	1	\$11,504.00	\$11,504.00
				TOTAL	\$101,972.00

UNIT PRICE ITEMS

ITEM NO.	DESCRIPTION	UNIT	UNIT PRICE
1.	Splice Pit Excavation	CF	\$19.00
2.	Asphalt Removal and Replacement	CF	\$26.00
3.	Concrete Removal and Replacement	SF	\$26.00
4.	Curb and Gutter Replacement	LF	\$26.00
5.	Backfill, compact all excavations	EA	Included
6.	Dispose of all excess material	LS	\$1,200.00
7.	Excavation Safety	LS	Cost plus 15%

ARTICLE V - By my signature hereunder, as Contractor, I certify that I am aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

ARTICLE VI - It is further expressly agreed by and between the parties hereto that, should there be any conflict between the terms of this instrument and the Bid Proposal of the Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

ARTICLE VII - The City is to furnish the necessary rights-of-way and easements and to establish lines and grades for the work as specified under the Special Provisions. All labor or materials not mentioned specifically as being done by the City will be supplied by the Contractor to accomplish the work as outlined in the specifications.

ARTICLE VIII - The Contractor agrees to commence work pursuant to this contract within 30 calendar days after the execution of the contract by the City and to diligently prosecute to completion within 120 WORKING DAYS.

WE IN SIGNING THIS CONTRACT. THE CONTRACTOR AGREES THAT THE TIME OF COMPLETION FOR THIS CONTRACT IS REASONABLE AND THE CONTRACTOR AGREES TO PAY THE CITY LIQUIDATED DAMAGES AS SET FORTH IN SECTION 6.5 OF THE SPECIAL PROVISIONS. CONTRACTOR AGREES THAT THIS AMOUNT MAY BE DEDUCTED FROM THE AMOUNT DUE THE CONTRACTOR UNDER THE CONTRACT.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands the year and date written below.

CONTRACTOR:
CO [Signature]

CITY OF LODI

By: _____
Blair King
City Manager

By: David Lewis
CFO
_____ Title

Date: _____

Attest:

City Clerk

(CORPORATE SEAL)

Approved As To Form

D. Stephen Schwabauer
City Attorney [Signature]

RESOLUTION NO. 2009-41

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING CONTRACT FOR UNDERGROUND CABLE
REJUVENATION TO NOVINIUM, INC.

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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 February 25, 2009, at 1:00 p.m., for 13,200 feet of underground cable rejuvenation in Royal Crest Subdivision as described in the specifications therefore approved by the City Council on January 21, 2009; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

Novinium, Inc., South Kent, WA	\$101,972
UtilX, Inc., Kent, WA	\$109,881

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the award of 13,200 feet of underground cable rejuvenation services in the Royal Crest Subdivision to Novinium, Inc., of South Kent, WA, in an amount not to exceed \$101,972.

Dated: April 15, 2009

I hereby certify that Resolution No. 2009-41 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 15, 2009, by the following vote:

- AYES: COUNCIL MEMBERS – Hitchcock, Johnson, Katzakian, and Mayor Hansen
- NOES: COUNCIL MEMBERS – None
- ABSENT: COUNCIL MEMBERS – Mounce
- ABSTAIN: COUNCIL MEMBERS – None


City Clerk PHL