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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize City Manager to Sign a Service Purchase Order for Emergency Inspection, Testing and Repairs for Industrial Substation Transformer Number Three and Appropriate Funds (\$50,000)

MEETING DATE: August 13, 2013

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Authorize the City Manager to sign a Service Purchase Order for emergency inspection, testing and repairs for Industrial Substation Transformer Number Three in an amount not to exceed \$50,000 and appropriate funds.

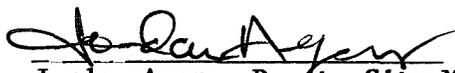
BACKGROUND INFORMATION: During routine substation inspections Electric Utility staff noted a heat alarm for Industrial Substation Transformer Number Three (T3). According to electric utility industry protocol an oil sample was taken and sent out for testing. The test report was then sent to an engineering firm for analysis. Their recommendation was to de-energize T3 in order to prevent further degradation of the transformer and then to have it inspected and tested by a qualified high voltage contractor.

On August 6, 2013 the load being served by T3 was moved to T1 and then T3 was de-energized. Due to the lower temperatures at this time there is sufficient capacity on T1 to handle the added load. However, should temperatures soar T3 would be needed to serve the entire industrial load. Therefore, staff recommends authorizing the City Manager to sign a Service Purchase Order for emergency inspection, testing and repairs for T3 in an amount not to exceed \$50,000 and appropriate funds.

Four qualified high voltage contractors have been contacted as of the writing of this Council Communication. One of them is available to begin the work on August 12, 2013. Two are not available, and one indicated they will respond on August 8, 2013. Staff will engage the lowest cost time and material rate firm with the soonest availability and begin the work up to the City Manager's signing authority of \$20,000. An updated report will be provided to the Council at the Special Meeting on August 13, 2013.

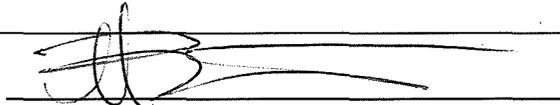
FISCAL IMPACT: This is time and materials work, therefore the exact fiscal impact cannot be determined at this time.

FUNDING: Requested Appropriation:
Electric Utility Fund (160652.7331): \$50,000
An appropriation adjustment form is attached for the Electric Utility Operations Fund Number 160.


Jordan Ayers, Deputy City Manager


Elizabeth Kirkley
Electric Utility Director

APPROVED:


Konradt Bartlam, City Manager