



Legislation Text

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File #: 22-0215, Version: 1

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**CITY COUNCIL AGENDA ITEM**

**ACTION REQUESTED:**

Approve the award of Change Order #1 to Option Year One of Contract 20-028, Insulated Conductors, to Okonite for an amount not to exceed \$61,300 and a total award of \$923,063

**DEPARTMENT:** Electric Utility

**SUBMITTED BY:** Brian Groth, Director

**BOARD/COMMISSION REVIEW:**

N/A

**BACKGROUND:**

The purpose of this contract is to purchase underground electric conductor cable which is inventoried at the Electric Service Center warehouse. The conductors are of various types and sizes and are used in capital and maintenance projects by the Electric Utility (utility) to ensure reliable service to its customers.

The City Council awarded Contract 20-028 to Okonite on May 19, 2020 for a one-year term from May 19, 2020 to May 18, 2021, with two, one-year options to extend. The first optional renewal term was awarded by the City Council on April 20, 2021.

**DISCUSSION:**

Recently, a directional boring contractor hit a marked 34.5kV underground cable between two Electric Utility substations. Upon discovering by staff, the Utility contractor, Meade, was called out to complete the repair requiring the department to use three reels of 1000 feet cable to repair the three-phase line. This cable was specifically reserved for this type of repair, as it is a special type of cable used for tie lines between our substations. This cable is being procured to replenish the warehouse inventory.

Originally quoted at nearly a one-year lead time, the Utility worked with the cable supplier and was able to align this order with a similar order from another customer reducing the lead time of this material to 36 weeks after receipt of the order.

**FISCAL IMPACT:**

CIP#: N/A

Insulated conductors are expensed to the Operating Supplies account listed below. A total of \$4,000,000 has been budgeted for Electric Warehouse Supplies in 2022. The requested award is within the budgeted amount for this expense. The contractor responsible for this event will be billed for all time and material related to the repair.

| Account Number  | Fund Description | Total Budget Amount |
|-----------------|------------------|---------------------|
| 40101300-541407 | Electric Utility | \$4,000,000         |