

To: Honorable Public Utilities Board

Submitted by: _____(S)_____
Cynthia Whitchurch
AGM–Engineering and Operations

From: Tito R. Nagrampa Jr, P.E.
Senior Electrical Engineer

Approved by: _____(S)_____
Liz Warmerdam
Interim General Manager

Juan M. Ulloa, P.E.
Engineering Supervisor

Subject: By Resolution, Authorize the Interim General Manager to Issue a Purchase Order to The Okonite Company in an Amount Not to Exceed \$291,000 to Purchase 20,800 Feet of 1000KCMIL Underground Distribution 15 Kilo-Volt Power Cable per Material Specification No. MS 07-16-01.

RECOMMENDATION

By resolution, authorize the Interim General Manager to issue a Purchase Order to The Okonite Company in an amount not to exceed \$291,000 to purchase 20,800 feet of 1000kcmil underground distribution 15 kilo-volt power cable per Material Specification No. MS 07-16-01.

BACKGROUND

Engineering staff prepared Material Specification No. MS 07-16-01. In accordance with the specification, vendors and manufacturers were asked to provide quotes for 1000kcmil high voltage power cables. AMP reserves the right to purchase under this specification for an additional five (5) years through December 31, 2021.

AMP published a Request for Quote (RFQ) on July 06, 2016 in AMP's e-procurement system accessible from AMP's website. Advertisement notices were also published in eight (8) trade journals and the Alameda Journal on July 08, 2016. Additionally, staff sent email notifications to seventeen (17) prospective bidders. On July 28, 2016, staff received and opened a total of five (5) bids.

DISCUSSION

AMP evaluated five (5) bids from the vendors listed below (in no particular order):

- 1) The Okonite Company (Okonite)
- 2) General Cable
- 3) WESCO Distribution
- 4) Graybar Electric Company
- 5) Anixter

Each bid was evaluated based on the following criteria:

- 1) Conformance to the technical specification
- 2) Current industry standards
- 3) Cost
- 4) Delivery
- 5) Vendor qualifications
- 6) Cost of ownership based on total cable dielectric losses

Okonite submitted the lowest bid in the amount of \$291,000 with a two year product warranty. Okonite provided the required technical data, met the requirements of the specification, and submitted all required documents by the bid opening date. Okonite proposes to supply the high voltage 15kV power cables manufactured in its plant in Santa Maria, California. Okonite has also supplied AMP with high voltage power cables in the past and recent years.

Staff recommends issuance of a Purchase Order to The Okonite Company to supply the 1000kcmil 15kV power cable in an amount not to exceed \$291,000 with an option for future purchases through December 31, 2021. The cost of future purchases will be based on the original price quote adjusted by the index after the first year of firm pricing. The index shall be calculated based on the monthly value for PPI, Series ID WPU10260332 for Power and Cables.

FINANCIAL IMPACT

AMP has proposed sufficient funds in its Fiscal Year 2017 budget for the purchase of power cables. City Ventures will reimburse AMP for one hundred percent of the trunk cable cost (approximately \$200,000) to be used in the undergrounding of the trunk feeder system contiguous to the new residential subdivision.

LINKS TO KEY RESULT AREAS AND GOALS

KRA 3: System Resiliency
Goal 3.2: Replace AMP Infrastructure

EXHIBITS

- A. Resolution
- B. Purchase Order DP 02463

CITY OF ALAMEDA
ALAMEDA MUNICIPAL POWER

RESOLUTION NO _____

AUTHORIZE THE INTERIM GENERAL MANAGER TO ISSUE A PURCHASE ORDER TO THE OKONITE COMPANY IN AN AMOUNT NOT TO EXCEED \$291,000 TO PURCHASE 20,800 FEET OF 1000KCMIL UNDERGROUND DISTRIBUTION 15 KILO-VOLT POWER CABLE PER MATERIAL SPECIFICATION NO. MS 07-16-01

WHEREAS, Specification No. MS 07-16-01, was issued to obtain quotes to purchase 20,800 feet of 1000kcmil underground distribution 15 kilo-volt(kV) power cables with an option for future purchases through December 31, 2021; and

WHEREAS, on July 28, 2016, Alameda Municipal Power (AMP) received quotes for the power cables from The Okonite Company (Okonite), General Cables, WESCO Distribution, Graybar Electric Company, and Anixter; and

WHEREAS, Okonite submitted a quote with the lowest cost and cable dielectric losses and met all the requirements for the 1000kcmil underground distribution 15kV power cables per specification MS 07-16-01; and

WHEREAS, Okonite will provide a two-year product warranty and has supplied AMP with high voltage power cables in the past and recent years; and

WHEREAS, the specified cables are required for the overhead to underground conversion of trunk feeders contiguous to the City Ventures (a 56-unit housing project) and future developments; and

WHEREAS, City Ventures will pay AMP one hundred percent of the trunk cable costs (approximately \$200,000) needed to underground the overhead electric facilities contiguous to their residential development along Clement Avenue and Willow Street.

NOW, THEREFORE, BE IT RESOLVED that the Public Utilities Board of the City of Alameda hereby authorizes the Interim General Manager to purchase of 20,800 feet of 1000kcmil underground distribution 15 kilo-volt power cable from The Okonite Company in an amount not to exceed \$291,000, including sales tax and transportation charges; and, authorizes the Interim General Manager to issue said Purchase Order.

Approved as to Form

By: _____ (S) _____
Alan Cohen
Assistant City Attorney

**CITY OF ALAMEDA
 ALAMEDA MUNICIPAL POWER**

SUMMARY OF BID RESULT
 (Bid Opening Date: July 28, 2016 3:00 p.m.)

MATERIAL SPECIFICATION NO. MS 07-16-01

20,800 FEET-1000KCMIL COMPACT STRAND COPPER CABLE, SINGLE CONDUCTOR, 15 KV, ETHYLENE PROPELENE RUBBER (EPR),
 JACKETED CONCENTRIC NEUTRAL, STRAND FILLED CONDUCTOR, 175 MILS INSULATED JACKET

BIDDER	OKONITE (1)	GENERAL CABLE	WESCO DISTRIBUTION	GRAYBAR ELECTRIC	ANIXTER
CABLE MANUFACTURER	OKONITE	GENERAL CABLE	CME	SUPERIOR ESSEX	SUPERIOR ESSEX
MANUFACTURER PLANT LOCATION	Santa Maria, CA	Duquin, IL	Monterrey, Mexico	Atlanta, GA	Atlanta, GA
PRICE FOR 20,800 FEET (INC. TAX)	\$290,617.00	\$311,916.80	\$323,419.20	\$342,940.00	\$359,713.12
ESTIMATED PRICE/FOOT	\$13.972	\$14.996	\$15.549	\$16.488	\$17.294
TOTAL DIELECTRIC LOSSES FEET (WATTS)	43.68	308.18	205.09	2,519.92	2,519.92
COST OF LOSSES	262.08	1,849.06	1,230.53	15,119.52	15,119.52
EQUIVALENT COST OF OWNERSHIP	\$290,879.08	\$313,765.86	\$324,649.73	\$358,059.52	\$374,832.64
CONDUCTOR WRAP	Heat Shrink	None	Class 2	Laminated Wrap	Laminated Wrap
INSULATION	EPR	EPR	EPR 1039	EPR	EPR
EXTRUSION PROCESS	Triple Tandem	Triple Tandem	Triple Extrusion	True Triple	True Triple
CURING PROCESS	Steam	Steam	Steam Curing	Catenary/nitrogen	Catenary/nitrogen
STRANDFILL	Center Wire Extrusion	Chase A162A	A161A Chase	Compound and Powder	Compound and Powder
OUTER JACKET	LLDPE	LLDPE	LLDPE	LLDPE	LLDPE
QUANTITY OF REELS X NUMBER	1700' X 12	1300' X 16	1300' X 16	1300' X 16	1300' X 16
WARRANTY	2 Years	40 Years	1 Year	1 Year	1 Year
DELIVERY TIME	12-14 Weeks	??	14-16 Weeks	6 Weeks ARO	6 Weeks ARO
EXCEPTIONS	None	None	With Exceptions	With Exceptions	None

Notes:

1. Recommended for Awarding of Contract