

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: AUGUST 8, 2022

SUBJECT: AWARD BID NO. RPU-7916 FOR THE GIBRALTAR DRIVE CABLE REPLACEMENT PROJECT TO E. E. ELECTRIC, INC., OF JURUPA VALLEY, CALIFORNIA IN THE AMOUNT OF \$348,754.25; WORK ORDER NO. 1910967 IN THE AMOUNT OF \$509,000

ISSUES:

Consider awarding Bid No. RPU-7916 for the Gibraltar Drive Cable Replacement Project to E. E. Electric, Inc., of Jurupa Valley, California, in the amount of \$348,754.25; and approve the capital expenditure for Work Order No. 1910967 in the amount of \$509,000.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Award Bid No. RPU-7916 for the Gibraltar Drive Cable Replacement Project to E. E. Electric, Inc., of Jurupa Valley, California, in the amount of \$348,754.25;
2. Approve the capital expenditure for Work Order No. 1910967 in the amount of \$509,000, which includes all design, construction, construction support, contract administration, inspection, and construction change order authority costs for the Gibraltar Drive Cable Replacement Project; and
3. Authorize the City Manager, or designee, to execute any documents necessary to effectuate the project described herein, as well as the ability to make minor non-substantive changes in alignment with all purchasing policies.

BACKGROUND:

Riverside Public Utilities (RPU) has experienced reliability issues with CIC-type (cable-in-conduit) infrastructure for the last 20 years, due to the high failure rate of aged cable, responsible for 70% of RPU's system failures. The area of this project is served by CIC. The Electric System Master Plan (ESMP) recommends the planned replacement of obsolete CIC-type infrastructure to improve system capacity and reliability.

This project will replace existing deteriorated underground substructures and cable with new underground electrical distribution facilities to improve the electric service to customers in the area, improving overall electric system reliability and safety.

As part of the ongoing Cable Replacement Program, on May 9, 2022, the Board of Public Utilities approved a similar project for the Canyon Crest Cable Replacement Area 5 Project, in the amount of \$2,115,000. The Gibraltar Drive Cable Replacement Project was identified during a 4kV to 12kV conversion as HMPE insulated cables and CIC systems exist in both 4kV and 12kV service areas. The Project is part of a series of routine cable replacement projects that will replace existing deteriorated underground substructures and cable with new underground electrical distribution facilities to improve the electric service to customers, improving overall electric system reliability and safety.

DISCUSSION:

The scope of work includes the installation of approximately 4,869 trench feet of conduit, approximately 2,060 feet of single phase primary underground cable, one electrical service box, the replacement of four transformers, one electrical service box, street paving, and related electrical distribution facilities. This project also includes the removal of approximately 1,995 feet of aged electric cable and related distribution facilities.

The project will upgrade electrical distribution facilities on Gibraltar Drive and Highcliff Road, east of Pachappa Drive, south of Pachappa Hill, and north of the 91 Freeway. Intermittent electric service disruptions will be coordinated during construction and advanced outage notifications will be issued to minimize the impact to customers.



Aged Underground Infrastructure:
Cable-in Conduit System



Trench and Conduit Installation

Bid No. RPU-7916 for the Gibraltar Drive Cable Replacement Project (the civil underground construction portion of the project), was posted on the City's Online Bid System on April 25, 2022, and closed May 20, 2022. Five vendors submitted bids for the project. Staff evaluated the bids and deemed E.E. Electric, Inc. of Jurupa Valley, California to be the lowest responsive and responsible bidder. The bid was within the engineer's estimated amount of \$481,238.31.

The bids are summarized in the table below:

Vendors	City Location	Bid Amount	Rank
E. E. Electric, Inc.	Jurupa Valley	\$348,754.25	1
Elecnor Belco Electric, Inc.	Chino	\$515,901.00	2
Doty Bros. Equipment Company	Norwalk	\$848,097.00	3
Hot Line Construction, Inc.	Brentwood	\$585,673.00	Non-responsive
Henkels & McCoy, Inc.	Pomona	\$790,658.93	Non-responsive

➤ *Engineer's Estimate*

\$481,238.31

The project/fiscal breakdown is as follows:

Project and Fiscal Breakdown		
Work Type	Performed By:	Amount (\$)
Design	RPU Engineering	\$73,472.31
Construction Management and Inspection	RPU Engineering and Operations	\$24,124.31
Electrical Work	RPU Field Forces	\$27,773.70
Civil Construction (Contract)	E. E. Electric, Inc.	\$348,754.25
Civil Construction Contingency – Contract 10%)		\$34,875.43
Work Order Total:		\$509,000.00
Anticipated Start Date:		September 2022
Anticipated Duration:		10 weeks

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 23812.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority No. 6 Infrastructure, Mobility and Connectivity** and **Goal 6.2** – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The installation of new and improved conduits and cable that comply with current standards will improve safety and reliability of the electric system, which helps build community trust and results in the greater public good.
2. **Equity** – The cable replacement project has been established based on engineering planning and operational criteria, with equitable distribution of services to ensure every member of the community has equal access to share the benefits of community progress.
3. **Fiscal Responsibility** – The replacement of obsolete cable and related equipment will improve system reliability. This proactive approach will be more efficient and will reduce overall operational costs. The lowest price for the construction services and thereby the best value for RPU's customers was ensured through a competitive bidding process.
4. **Innovation** – RPU is committed to identifying creative solutions to meet the needs of our community members, effectively and efficiently by providing innovative infrastructure improvements. A collaborative and innovative approach was used to replace the electric facilities in such a way to minimize potential disruptions to our customers in the future.
5. **Sustainability & Resiliency** – RPU is preparing for the goals set by the City to achieve carbon neutrality by 2040 and to ensure that new system upgrades provide grid operators the ability to monitor and respond to system disturbances in a more safe and timely manner. The construction materials specified for this project are considered best practices in the industry and are expected to last well into the future.

FISCAL IMPACT:

The total fiscal impact is \$509,000. Sufficient funds are available in Public Utilities Electric Capital Account No. 6130100-470635, which will be carried forward into Fiscal Year 2022/23.

As part of the City of Riverside's Debt Management Policy and RPU's Fiscal Policy, this project is eligible to be bond funded.

City of Riverside Debt Management Policy:

<https://www.riversideca.gov/finance/PDF/2018/Final%20Debt%20Mgmt%20Policy%201-2017.pdf>

The Debt Management Policy states:

Long-Term Debt Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment, and land to be owned and operated by the City and its departments. Long-term debt financings are appropriate when the following conditions exist:

- *When the project to be financed is necessary to provide basic services.*
- *When the project to be financed will provide benefit to constituents over multiple years.*
- *When total debt does not constitute an unreasonable burden to the City and its taxpayers and ratepayers.*

RPU Fiscal Policy:

<https://riversideca.gov/finance/PDF/2018/RPU%20Fiscal%20Policies.pdf>

The Debt Management Policy states:

Debt should be used to finance long-term projects in the most cost effective manner to RPU to ensure the benefit and the cost of those assets are appropriately shared between existing and future ratepayers. The repayment schedule for debt financed infrastructure should match the useful life of the asset financed.

Prepared by:	Daniel E. Garcia, Utilities Deputy General Manager
Approved by:	Todd M. Corbin, Utilities General Manager
Approved by:	Kris Martinez, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Certifies availability of funds:	Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
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Attachments:

1. Project Site Map
2. Bid Award Recommendation
3. Presentation