



# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE: DECEMBER 9, 2024**

**SUBJECT: RPU BID NO. 8074 TO EDISON POWER CONSTRUCTORS, INC., OF MESA, ARIZONA, FOR THE PAPER INSULATED LEAD COVERED CABLE REPLACEMENT PROJECT, IN THE AMOUNT OF \$806,632.31 AND WORK ORDER NO. 2318306 FOR A TOTAL CAPITAL EXPENDITURE OF \$3,000,000 INCLUDING A 10% OR \$80,663.23 CHANGE ORDER AUTHORITY**

**ISSUES:**

Consider awarding RPU Bid No. 8074 to Edison Power Constructors, Inc., of Mesa, Arizona, for the Paper Insulated Lead Covered Cable Replacement Project, in the amount of \$806,632.31, with a 10% change order authority in the amount of \$80,663.23; and approve the capital expenditure for Work Order No. 2318306 for a total capital expenditure of \$3,000,000.

**RECOMMENDATIONS:**

That the Board of Public Utilities:

1. Award RPU Bid No. 8074 to Edison Power Constructors, Inc. of Mesa, Arizona, for the Paper Insulated Lead Covered Cable Replacement Project, in the amount of \$806,632.31;
2. Approve Work Order No. 2318306 for the total capital expenditure of \$3,000,000 which includes all design, construction, construction support, contract administration, inspection, and construction change order authority of 10% in the amount of \$80,663.23 for the Paper Insulated Lead Covered 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 obsolete underground cabling. One particular type is Paper Insulated Lead Covered (PILC) Cable, which has been deemed hazardous, needs to be properly disposed of, and is an outdated cable type for which we do not have the resources to work on. The Electric System Five Year Plan for Fiscal Years 2023-2027 recommends, under the Cable Replacement Program, the planned replacement of obsolete PILC type cable to improve system capacity and reliability.

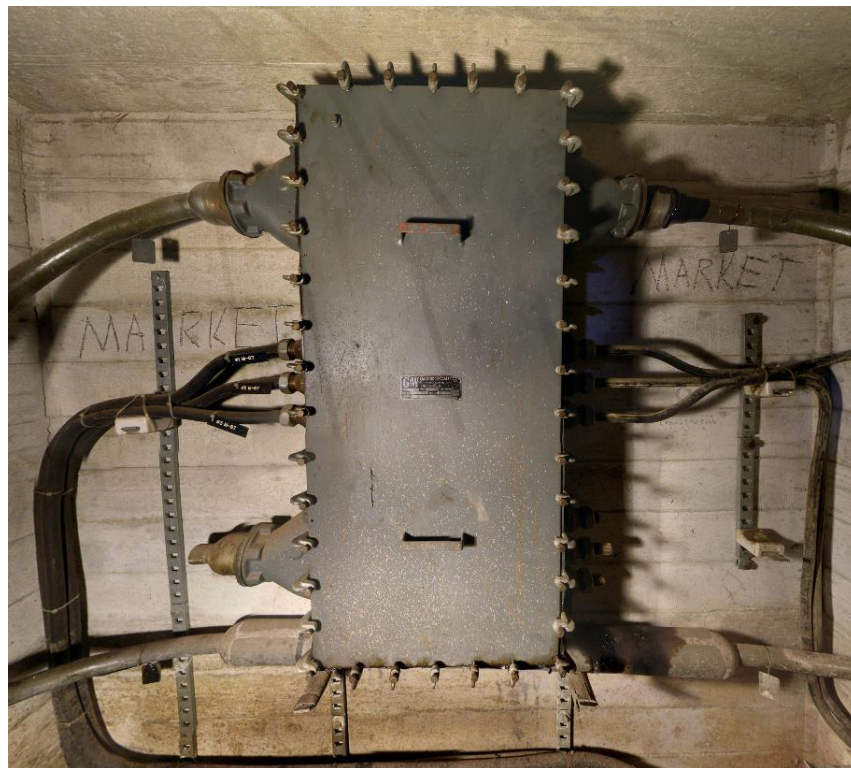
The Cable Replacement Program identifies deteriorated underground cables and initiates projects to replace deteriorated underground cables while also accommodating for planned future improvements. The goal is to prevent underground cable failures, reduce the frequency and number of customers affected by outages, and the associated operations and maintenance costs.

Replacement projects are prioritized by several factors, including the importance of the cable runs, consideration for the safety of the overall installation, criticality of load served, the anticipated reliability impact for the eventual cable failure, and the cost and ease of all related replacement construction.

**DISCUSSION:**

The scope of work involves the removal of ten (10) link boxes, replacement of approximately 16,340 circuit feet of PILC underground primary cable, and related electrical distribution facilities. Intermittent electric service disruptions will be coordinated during construction and advanced outage notifications will be issued to minimize the impact to customers.

This project will replace existing deteriorated and obsolete underground cables with new underground electrical distribution facilities to improve the electric service to customers in the Downtown area as well as the La Sierra neighborhood which Harvey Lynn Substation currently serves, and a small section of Circuit 1213 inside La Colina Substation, improving overall electric system reliability and safety.



Paper insulated cable and junction box to be removed

The project will also improve the reliability of Riverside and Harvey Lynn Substations. Harvey Lynn Substation Circuit 1281 and Circuit 1284 are two (2) of the nine (9) circuits included in this project and are considered priority for getaway replacement due to capacity, voltage, and power factor issues. Circuit 1281 is also on the ten (10) worst performing circuits list. One of the

recommendations of the Five-Year Plan is to upgrade the getaways to provide higher ampacity. Riverside Substation Circuit 6 is currently not carrying any load and occupies approximately 4,000 ft of conduit. Circuit 12 is a 4kV circuit that is currently part of T1 and needs to be converted by May 2028 due to overall overloading of T1.

RPU Bid No. 8074

On August 28, 2024, RPU Bid No.8074 for the PILC Cable Replacement Project, was posted on the City’s Online Bid System. The bid’s notification summary and bid actions are detailed in the following table:

**RPU Bid No. 8074 Bidding Notification Summary Table**

<b>Action</b>	<b>Number of Vendors</b>
External Vendors Notified	500
City of Riverside Vendors Notified	399
Prospective Bidders Who Downloaded the RFB	67
Questions and Answers Released	12
Addenda Released	3

On September 10, 2024, RPU staff held a non-mandatory pre-bid meeting with 12 companies in attendance, and on October 3, 2024, four (4) bidders submitted bids for the project. Purchasing evaluated the bids and deemed Edison Power Constructors, Inc. of Mesa, Arizona to be the lowest responsive and responsible bidder. The bid was within the engineer’s estimated amount of \$3,600,000.

The bids are summarized in the table below:

<b>Vendors</b>	<b>City Location</b>	<b>Bid Amount</b>	<b>Rank</b>
<b>Edison Power Constructors, Inc.</b>	<b>Mesa, AZ</b>	<b>\$806,632.31</b>	<b>1</b>
Outsource Utility Contractor, LLC	Torrance, CA	\$903,261.72	2
E.E. Electric, Inc.	Jurupa Valley, CA	\$2,035,878.65	3
HW Power, Inc.	Norwalk, CA	\$2,665,272.25	4
➤ <i>Engineer's Estimate</i>		\$3,600,000.00	

The project/fiscal breakdown is as follows:

Project and Fiscal Breakdown					
Work Type	Performed By:	Amount (\$):		% of Total:	
Design and Inspection	RPU Engineering and Operations	\$110,270.46		3.7%	
Electrical Work	RPU Field Forces	Labor	\$1,399,268.40	\$2,002,434.00	66.7%
		Equipment	\$2214,977.89		
		Materials	\$388,187.71		
Civil Construction (Contract)	Edison Power Constructors, Inc.	\$806,632.31		26.9%	
Contingency – 10% (Contract)		\$80,663.23		2.7%	
<b>Work Order Total:</b>		<b>\$3,000,000.00</b>		<b>100%</b>	
<b>Anticipated Start Date:</b>	<b>January 2025</b>				
<b>Anticipated Duration:</b>	<b>12-15 weeks</b>				

Purchasing Resolution 24101, Section 508 Awards states, “Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible Bidder.”

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 24101, Section 508.

**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 cable and equipment 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 program 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 electric system reliability. This proactive approach will be more efficient and will reduce overall operational costs. The lowest price for the removal 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 install 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 \$3,000,000. Sufficient funds are available in Public Utilities Electric Capital Account No. 6130100-470635.

Prepared by:	Daniel Honeyfield, Utilities Assistant General Manager/ Energy Delivery
Approved by:	David A. Garcia, Utilities General Manager
Certifies availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Jack Liu, Interim City Attorney

Attachments:

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