



Williams/Via

RESOLUTION NO. 6506

WHEREAS, the University of Nebraska Medical Center (UNMC) has requested the District to relocate an overhead transmission line to an underground manhole duct transmission line in order to support UNMC's Saddle Creek Campus Expansion project; and

WHEREAS, the 69kV underground cable is part of a technically complex system and requires direct communication between the District and the manufacturer during the bidding process to optimize detailed design parameters; and

WHEREAS, installation of the underground transmission cable will require specialty contractors with input and oversight from the transmission cable manufacturer; and

WHEREAS, due to ongoing supply chain challenges, transmission cable manufacturers are reluctant to hold pricing and delivery schedules long enough to complete the sealed bid process under Nebraska Revised Statutes Sections 70-637 through 70-639, as amended; and

WHEREAS, the District's Engineer has certified that a competitive Request for Proposals (RFP) process followed by negotiations with qualified bidders will allow the District the opportunity to increase the number of viable bids and achieve the most advantageous combination of commercial terms and technical requirements to procure the 69kV underground transmission cable; and

WHEREAS, for these reasons, the District's Engineer has certified that the use of sealed bidding would be impractical and not in the public interest; and

WHEREAS, pursuant to Nebraska Revised Statute Section 70-637 (as amended), and upon approval of the Engineer's Certification by the Board of Directors, the District may negotiate and enter into a contract or contracts related to the procurement and installation of such 69kV underground transmission cable without sealed bidding.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that:

1. The Engineer's Certification requesting that the Board waive the sealed bid requirements, in accordance with Nebraska Revised Statutes Sections 70-637 through 70-639, is hereby approved.
2. Management is hereby authorized and directed to negotiate and enter into the necessary contract or contracts to procure and install 69kV underground transmission cable for UNMC's Saddle Creek Expansion project, subject to review and approval of the final contract(s) by the District's General Counsel.
3. The notice required by Nebraska Revised Statutes Section 70-637 shall be published in the Omaha World Herald, or other similar newspaper of general circulation.



Board Action

BOARD OF DIRECTORS

May 17, 2022

ITEM

Procurement of Material and Installation Services for Underground 69kV Transmission Cable

PURPOSE

Authorize Management to negotiate and enter into a contract, or contracts, for the procurement of 69kV underground cable and cable installation services to accommodate the relocation of a transmission line to support commercial development.


FACTS

1. The relocation of an overhead 69kV transmission line to an underground manhole duct system is needed to accommodate space constraints in a congested urban commercial redevelopment.
2. All costs associated with the 69kV transmission modifications will be fully reimbursed by the customer who is driving the commercial development.
3. The 69kV underground cable is part of a technically complex system and requires direct communication between OPPD and the manufacturer during the bidding process to optimize detailed design parameters.
4. Installation of underground transmission cable requires specialty contractors with input and oversight from the manufacturer.
5. Due to the ongoing supply chain issues, power cable manufacturers have been reluctant to commit to delivery schedules and proposal pricing long enough to satisfy the requirements of Nebraska Revised Statutes Sections 70-637 through 70-639, as amended, making it impractical and not in the public interest to proceed with the statutory sealed bid process.

ACTION

Approval of the Engineer's Certification and authorization for Management to negotiate and enter into a contract, or contracts, for material and installation services for procurement of 69kV underground cable to support a commercial development.

RECOMMENDED:

DocuSigned by:

 181167221FA24AE...
 Troy R. Via
 Chief Operating Officer and
 Vice President Utility Operations

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

 AG399FDGE56247E...
 L. Javier Fernandez
 President and Chief Executive Officer

TRV:ddb

Attachments: Letter of Recommendation
Engineer's Certification
Legal Opinion
Resolution



MEMORANDUM

Date: May 6, 2022

From: D. D. Buelt

To: T. R. Via

Subject: Procurement of Material and Installation Services for Underground 69kV Transmission Cable

1.00 GENERAL

It is requested that the District negotiate and enter into a contract to procure 69kV underground cable to support the relocation of a transmission line. This relocation is to support University of Nebraska Medical Center's (UNMC) Saddle Creek Campus Expansion project.

Due to the congested, urban redevelopment, UNMC specifically requested for OPPD to relocate the transmission line to an underground manhole duct transmission line. While OPPD does have underground in our system, it is rare and we do not typically stock the material required for this type of work.

Recent experiences with multiple manufacturers have shown that lead times are getting longer and commodity prices are constantly fluctuating to the point that manufacturers will only hold proposal pricing and delivery schedules for less than a month, necessitating procurement contracts be signed on an expedited basis. In addition, the complex nature of transmission cable requires that the cable manufacturer be involved with the final details of engineering optimization as well as have direct oversight of the contractor responsible for the installation of the cable.

Due to the technically complex nature of these systems, the need for additional manufacturer involvement with the installation of the cable, and the supply chain issues being experienced, it will be in the interest of the District and the public to allow for a negotiated contract process.

2.00 RECOMMENDATION

An Engineer's Certification documenting the above points has been prepared. We recommend and request the Board of Directors approve the Engineer's Certification authorizing Management to negotiate and award competitively bid contracts for underground 69kV cable and installation services for this customer reimbursed project.

DocuSigned by:

Dannie D. Buelt

6DD7614246BB4BE

Dannie D. Buelt, P.E.
Director Engineering
Utility Operations

ENGINEER'S CERTIFICATION

As part of the development of University of Nebraska Medical Center's (UNMC) Saddle Creek Campus, OPPD has been requested to relocate a 69kV Overhead Transmission Line. Due to the congested, urban redevelopment, UNMC specifically requested for OPPD to relocate the transmission line to an underground, manhole duct transmission line. While OPPD does have underground transmission in our system, it is rare and we do not typically stock the material required for this type of work.

Recent OPPD experiences with multiple different manufacturers have shown that lead times are getting longer and commodity prices are constantly fluctuating to the point that manufacturers will only hold pricing and delivery schedules for less than a month, necessitating procurement contracts be signed on an expedited basis. In addition, the complex nature of transmission cable requires that the cable manufacturer be involved with the final details of engineering optimization as well as have oversight of the contractor responsible for the installation of the cable.

The undersigned professional engineer employed by OPPD certifies that compliance with the sealed bidding requirements of Nebraska statutes, specifically Nebraska Revised Statutes 70-637 to 639, is impractical and not in the public interest for the transmission cable for the following reasons:

- Underground transmission facilities are technically complex and the procurement of cable requires more direct communication to optimize detailed design parameters prior to issuing a contract for the cable.
- Construction of underground transmission requires specialty contractors, with input and oversight of the cable manufacturer.
- Negotiated contract processes would provide additional mechanisms to expedite material and installation schedules, and provide additional risk mitigation in securing contract pricing and delivery schedules.

Pursuant to Section 70-637 of the Nebraska Revised Statutes, as amended, the District's Board of Directors is requested to approve this Engineer's Certification and authorize Management to negotiate and enter into a contract or contracts with a qualified supplier or suppliers for the procurement of material and installation services for underground 69kV cable for the District without compliance with the sealed bidding requirements of Sections 70-637 to 70-639 of the Nebraska Revised Statutes.

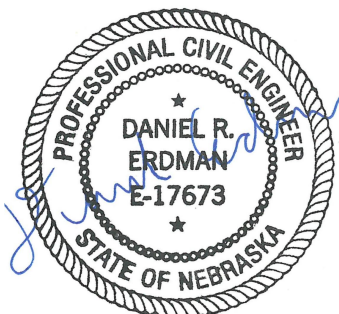
I, Daniel R. Erdman (registered Professional Civil Engineer in the State of Nebraska), certify the above to be true and correct to the best of my knowledge and belief.



Daniel R. Erdman, P.E.

05/09/2022

Date



05/09/2022



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May 3, 2022

Omaha Public Power District
444 South 16th Street
Omaha, NE 68102

RE: Engineer's Certification; Procurement of Material and Labor for Installation of 69kV Underground Transmission Line

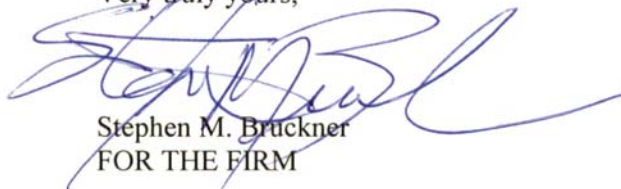
Ladies and Gentlemen:

We have reviewed the Engineer's Certification of Daniel R. Erdman, P.E., a professional engineer employed by the District. Mr. Erdman explains that the District has been approached to relocate a 69kV overhead transmission line in connection with a project at the University of Nebraska Medical Center ("UNMC") Saddle Creek Campus. Due to the congested urban area around the UNMC campus, UNMC has requested that the transmission line be relocated in an underground duct line. Mr. Erdman further explains that the District presently is experiencing longer lead times from cable contractors, and a hesitancy to hold prices and lead times during the normal sealed bidding process. Mr. Erdman certifies that it would be impractical and not in the public's interest to utilize the statutory sealed bid process in light of these conditions and the technically complex nature of the underground transmission line project, which includes the use of specialty contractors under negotiated contract terms that will secure contract pricing and delivery.

Section 70-637 of the Nebraska Revised Statutes authorizes the District's Board of Directors, by a two-thirds vote, to approve an Engineer's Certification when it is impractical or not in the public's interest to utilize sealed bidding, and to authorize the District to enter into a contract or contracts to complete the proposed project. The District is required to advertise its intention to enter into any such contract in three (3) newspapers of general circulation within the District's service area, with not less than seven (7) days between issues. The contract or contracts cannot be entered into sooner than twenty (20) days after the last advertisement.

It is our opinion that Mr. Erdman's Engineer's Certification complies with Section 70-637 of the Nebraska Revised Statutes and is in a form that is appropriate for approval by the District's Board of Directors. Therefore, the Board of Directors may approve the Engineer's Certification and authorize Management to negotiate and enter into the necessary contract or contracts for the procurement of material and labor for the UNMC transmission line relocation project without utilizing the sealed bid process.

Very truly yours,



Stephen M. Bruckner
FOR THE FIRM

SMB/sac
2807697



Underground 69kV Cable – Engineer’s Certification

Board of Directors
All Committees Meeting
May 17, 2022



Underground 69kV Cable
(EXAMPLE)



Ductbank
Construction
(EXAMPLE)



Transmission Cable Terminal
Structure (EXAMPLE)

