

Moody/Via

# RESOLUTION NO. 6555

**WHEREAS,** sealed bids were requested and advertised, as required by law, for the following:

## REQUEST FOR PROPOSAL (RFP) NO. 6024 SUBSTATION CONTROL BUILDING AND SWITCHGEAR ENCLOSURE

**WHEREAS,** bids were received and opened at the time and place mentioned in the published notices and the Director – Supply Chain Management supervised the tabulations, which have been submitted to this Board; and

**WHEREAS,** the Board of Directors has carefully considered the bids submitted, as well as the recommendations of the District's Management and General Counsel; and

**WHEREAS**, Section 70-637 of the Nebraska Revised Statutes authorizes the District to reject all proposals if no responsive bids are received or the Board of Directors finds that all bids exceed fair market value for the project; ; and

**WHEREAS**, Management recommends rejection of all four proposals for RFP No. 6024 because they are technically non-responsive for the proposed scope of work.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Omaha Public Power District that all proposals received in response to Request for Proposal No. 6024 are rejected and Management of the District is authorized and directed to negotiate and enter into a contract for the scope of work set forth in Request for Proposal No. 6024, Substation Control Building and Switchgear Enclosure, subject to review and approval of the final contract by the District's General Counsel.



# **Board Action**

#### **BOARD OF DIRECTORS**

March 14, 2023

# **ITEM**

Award RFP No. 6024 "Substation Control Building and Switchgear Enclosure"

# **PURPOSE**

Board of Directors authorization to reject the proposals received for RFP No. 6024, and for the District to enter into a negotiated contract for the purchase of one (1) Substation Control Building and Switchgear Enclosure to support development of a new substation.

#### **FACTS**

- Development of this substation supports load growth near Bennington. a.
- Substation control buildings and switchgear enclosures house equipment to monitor, control, b. protect, and operate the energy delivery system.
- C. Four (4) proposals were received; one (1) is legally responsive and zero (0) are technically responsive.
- d. Desired delivery of the substation control building and switchgear enclosure is February 2024.

## **ACTION**

Authorization by the Board to reject all proposals received for RFP No. 6024 "Substation Control Building and Switchgear Enclosure" and allow District Management to enter into a negotiated contract.

DocuSigned by:

L. Javier Fernandez

Javier Fernandes

President and Chief Executive Officer

**RECOMMENDED:** 

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

Trov R. Via

Chief Operating Officer and Vice President – Utility Operations

TRV:jgb

Attachments: Analysis of Proposals

**Tabulation of Bids** Legal Opinion Resolution



**DATE:** March 7, 2023

FROM: D. D. Buelt

TO: T. R. Via

RFP No. 6024 "Substation Control Building and Switchgear Enclosure"

#### Analysis of Proposals

# 1.00 GENERAL

RFP No. 6024 was advertised for bid on January 13, 2023.

This contract will procure one (1) complete control building and switchgear enclosure delivered to the substation as a full assembly which includes the building, relay panels, 15kV switchgear, batteries and other equipment for a new substation to support load growth and reliability in the Douglas County area.

Desired delivery of the substation control building and switchgear enclosure is February 2024.

No Letters of Clarification (LOC) were issued. One Addendum was issued.

Bids were requested and opened at 2:00 p.m., C.S.T., Tuesday, February 9, 2023.

Four proposals were received which are summarized in the table below:

Bidder	Lump Sum Firm Price	Legally Responsive	Technically Responsive
Electrical Power Products, Inc.	\$1,814,149.00 <sup>1</sup>	Yes	No
Eaton Corporation	\$2,746,260.87 <sup>2</sup>	No	No
Myers Power Products, Inc.	\$2,814,688.00 <sup>3</sup>	No	No
Avail Enclosure Systems KS	\$3,255,659.00 4	No	No

<sup>&</sup>lt;sup>1</sup> Lump sum firm price does not include 15kV switchgear.

<sup>&</sup>lt;sup>2</sup> Lump sum firm price does not include unloading and re-assembly of building.

<sup>&</sup>lt;sup>3</sup> Lump sum firm price does not include unloading of building.

<sup>&</sup>lt;sup>4</sup> Lump sum firm price does not include delivery, unloading and re-assembly of building.

#### 2.00 COMPLIANCE WITH CONTRACT TERMS AND GENERAL REQUIREMENTS

OPPD's legal counsel noted that the bid received from Electrical Power Products, Inc. is legally responsive and may be considered by the Board of Directors for the award of this contract.

OPPD's legal counsel noted that the bid received from Eaton Corporation (represented by Evans, Lipka and Associates, Inc.) is not a firm proposal and must be rejected based on the following: bid references previously negotiated terms and conditions but does not identify the previous terms, bid states that it is "willing to negotiate" terms which cannot be done on a sealed bid contract, and the proposal states that the delivery date may change based on factory availability.

OPPD's legal counsel noted that the bid received from Myers Power Products, Inc. is not a firm proposal and must be rejected based on the following: bid includes substantial revisions to the District's contract terms including cancellation charges and a refusal to pay liquidated damages, bid includes a non-firm delivery date, and bid states that "standard terms" shall apply and notes that if the District requires different terms, then Myers reserves the right to update its proposal which cannot be done on a sealed bid RFP.

OPPD's legal counsel noted that the bid received from Avail Enclosure Systems is materially non-responsive since the bid deletes the requirement for a performance and payment bond.

#### 3.00 COMPLIANCE WITH TECHNICAL REQUIREMENTS

Electrical Power Products, Inc.'s bid does not include 15kV switchgear within its proposal and does not meet the desired delivery date. Therefore, Electrical Power Products, Inc.'s bid is deemed technically non-responsive.

Eaton Corporation's (represented by Evans, Lipka and Associates, Inc.) bid does not include pricing for unloading and re-assembly of the building and does not meet the desired delivery date. Therefore, Eaton Corporation's bid is deemed technically non-responsive.

Myers Power Products, Inc.'s bid does not include pricing for unloading of the building and does not meet the desired delivery date and therefore is deemed technically non-responsive.

Avail Enclosure Systems KS's bid does not include pricing for delivery, unloading and reassembly of the building and does not meet the desired delivery date. Therefore, Avail Enclosure Systems KS's bid is deemed technically nonresponsive.

#### 4.00 RECOMMENDATION

On the basis of compliance with the legal and technical requirements, it is recommended that all proposals received for RFP No. 6024 "Substation Control Building and Switchgear Enclosure" be rejected by the Board of Directors and that District Management be authorized to enter into a negotiated contract.

-DocuSigned by:

Dannie D. Buelt

Dannie Buelt, PE Director Engineering Utility Operations

TABULATION OF BIDS Opened at 2:00 p.m., C.S.T., Tuesday, February 9, 2023, in Omaha, Nebraska  Anticipated Award Date March 16, 2023  ENGINEER'S ESTIMATE  \$2,650,000.00	REQUEST FOR PROPOSAL NO. 6024 Substation Control Building and Switchgear Enclosure		Director Supply Chain Management  Docustioned by:  Sharker Parker  Docustioned by:  Sharker Parker  Director Supply Chain Management  Compiled by and Certified Correct		
Ψ2,030,000.00	BIDDER'S NAME & ADDRESS				
BID ITEM	Electrical Power Products, Inc. 4240 Army Post Road Des Moines, IA 50321	Eaton Corporation 9400 Globe Center Drive, Suite 121 Morrisville, NC 27560	Myers Power Products, Inc. 14825 St. Mary's Lane, Ste 204 Houston, TX 77079		
	SUPPLIER'S BID	SUPPLIER'S BID	SUPPLIER'S BID		
1. Price Proposal:  1.1 Firm base price to furnish one (1) Sub 1247 Substation Control Building and Switchgear Enclosure.  *To include Letter of Credit or Performance and Payment Bond equal to Contract Value (see Attachment C)  1.2 Firm base price to deliver, FOB foundation, to the	<u>\$1,637,086.00</u>	<u>\$2,746,260.87*</u>	<u>\$2,465,730</u>		
delivery location specified below, and complete Sub 1247 Substation Control Building Enclosure installation 1.3 Total lump sum price to furnish, deliver and install Sub 1247 Substation Control Building and Switchgear	<u>\$177,063.00</u>	FOB Destination included in 1.1 Unloading and installation by other	<u>\$348,958</u>		
Enclosure 2. Completion Guarantee: Enclosure: February 19, 2024	\$1,814,149.00 Guaranteed Delivery Date 56 weeks ARO	\$2,746,260.87 *See 1.2 above  Guaranteed Delivery Date  Reference Quote Letter	\$2,814,688 Guaranteed Delivery Date June 21, 2024		

TABULATION OF BIDS Opened at 2:00 p.m., C.S.T., Tuesday, February 9, 2023, in Omaha, Nebraska Anticipated Award Date March 16, 2023 ENGINEER'S ESTIMATE	REQUEST FOR PROPOSAL NO. 6024 Substation Control Building and Switchgear Enclosure		Director Supply Chain Management  Docustioned by:  Supply Chain Management  Docustioned by:  Substitution Parket  Decreased Compiled by and Certified Correct	
\$2,650,000.00	Page 2 of 3			
	BIDDER'S NAME & ADDRESS			
BID ITEM	Avail Enclosure Systems KS 1801 E. 27th Street Terrace Pittsburg, KS 66762			
	SUPPLIER'S BID	SUPPLIER'S BID	SUPPLIER'S BID	
1.1 Firm base price to furnish one (1) Sub 1247 Substation Control Building and Switchgear Enclosure. *To include Letter of Credit or Performance and Payment Bond equal to Contract Value (see Attachment C) 1.2 Firm base price to deliver, FOB foundation, to the delivery location specified below, and complete Sub	\$3,255,659.00	\$	<u>\$</u>	
1247 Substation Control Building Enclosure installation 1.3 Total lump sum price to furnish, deliver and install Sub 1247 Substation Control Building and Switchgear	Not included at this time	<u>\$</u>	<u>\$</u>	
Enclosure 2. Completion Guarantee: Enclosure: February 19, 2024	\$	\$	<u>\$</u> Guaranteed Delivery Date	



Stephen M. Bruckner ATTORNEY 402.978.5225 sbruckner@fraserstryker.com fraserstryker.com

# February 17, 2023

Omaha Public Power District 444 South 16<sup>th</sup> Street Omaha, NE 68102

RE: Request for Proposal No. 6024 – Substation Control Building & Switchgear Enclosure ("RFP No. 6024")

Ladies and Gentlemen:

We have reviewed the four (4) proposals received in response to the District's RFP No. 6024 and provide the following legal opinion:

The proposal of Avail Closure Systems deletes the RFP's requirement for a performance and payment bond. For this reason, the Avail proposal is materially non-responsive to the contract documents and may not be considered for the award of this RFP.

The proposal of Myers Power Products, Inc. states that Myers' "standard terms" shall apply to this RFP and that, if the District requires different terms, then Myers reserves the right to update its proposal. A sealed bid RFP is not subject to negotiation. Based on Myers' statement regarding the contract terms, the Myers proposal is not a firm proposal that may be considered by the District's Board of Directors for the award of this RFP. Additionally, we note that the Myers proposal submits substantial revisions to the District's contract terms, including cancellation charges and a refusal to pay liquidated damages, as well as a non-firm delivery date.

The proposal of Evans, Lipka and Associates, Inc. states that its proposal is subject to previously negotiated terms and conditions. However, the proposal does not identify those previous terms. Further, Evans, Lipka states that it is "willing to negotiate" terms, which cannot be done on a sealed bid contract. Finally, the Evans, Lipka proposal notes that its delivery date may change based on factory availability. Therefore, this is not a firm contract and must be rejected.

The proposal of Electric Power Products, Inc. states that its delivery date will be 56 weeks after receipt of an order from the District. This statement will allow the District to calculate the maximum delivery time. Additionally, the proposal includes technical exceptions that must be evaluated by the District.

February 17, 2023 Page 2

Based on the foregoing legal opinion, the proposal of Electric Power Products, Inc. is the only proposal received in response to the District's RFP No. 6024 that may be considered by the Board of Directors for the award of this contract. Alternatively, pursuant to § 70-637(5) of the Nebraska Revised Statutes, the Board may reject all bids and enter into a negotiated contract for this procurement if the Board finds that no responsive bids were received or the bids are in excess of fair market value for the subject matter of the RFP.

Very truly yours,

Stephen M. Bruckner FOR THE FIRM

SMB:sac 2963582

# **Substation Control Building and Switchgear Enclosures**









Substation Control Building and Switchgear Enclosures house equipment to monitor, control, protect, and operate the energy delivery system.

