



Moody/Via

**RESOLUTION NO. 6563**

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

**REQUEST FOR PROPOSAL (RFP) NO. 6043  
161-13.8-13.8kV 40/53.3/67(75) MVA OLTC TRANSFORMER**

**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’s Board of Directors to reject proposals if they are not responsive to the Request for Proposals, and to authorize Management to pursue a negotiated contract without compliance with the sealed bidding provisions of Section 70-637 through 70-639; and

**WHEREAS**, the Board of Directors concurs with Management’s recommendation that the four (4) proposals received for RFP No. 6043 are technically and/or legally non-responsive.

**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. 6043 are rejected and Management is authorized to negotiate and enter into a contract or contracts for a multi-year 161-13.8-13.8kV 40/53.3/67(75) MVA OLTC Transformer to support reliability and load growth in developing areas of the community, subject to review and approval of the final contract(s) by the District’s General Counsel.



## MEMORANDUM

Date: April 7, 2023

From: D. D. Buelt

To: T. R. Via

RFP No. 6043  
 “161-13.8-13.8kV 40/53.3/67(75) MVA OLTC Transformer”  
Analysis of Proposals

### 1.00 GENERAL

RFP No. 6043 was advertised for bid on February 16, 2023.

RFP No. 6043 provides the opportunity to purchase 161-13.8-13.8kV 75MVA transformers for an initial term of one (1) year with the option to renew up to four (4) additional one (1) year terms pursuant to the escalation/de-escalation provisions. OPPD will initially procure a quantity of one (1) 161-13.8-13.8kV 75MVA transformer to support load growth in the Washington County area with a desired delivery date of March 2025.

No Letters of Clarification (LOC) or addendums were issued for this RFP.

Proposals were requested and opened at 2:00 p.m., C.D.T., Thursday, March 16, 2023.

Engineer’s Estimate was \$ 2,500,000.00

Four (4) total proposals were received. The proposals received are summarized in the table below:

Bidder	Lump Sum Firm Price	Legally Responsive	Technically Responsive
Pennsylvania Transformer Technology, Inc.	\$2,926,793.00	No	No
WEG Transformer USA	\$3,608,758.00	Yes	No
Delta Star, Inc	\$4,200,035.00	Yes	No
Hitachi Energy USA Inc.	\$5,395,000.00	Yes	No

### 2.00 COMPLIANCE WITH CONTRACT TERMS AND GENERAL REQUIREMENTS

OPPD’s legal counsel noted the proposal of Pennsylvania Transformer (“PTTI”) states that its proposal is valid only for 30 days. After the bid opening, PTTI sent a letter to OPPD stating that PTTI would allow its bid to expire after 30 days, which is before the date of the April Board meeting. Therefore, the PTTI proposal is legally non-responsive to the contract documents and cannot be considered for the award of this contract.

T. R. Via  
April 7, 2023  
Page 2 of 2

The proposal of WEG includes a guaranteed completion date of "95-100 weeks after receipt of order." In order to determine the guaranteed date, the District must assume the latest period identified in the response. WEG also has included pre-printed standard terms that must be withdrawn, because the District's contract documents, subject to revisions, are the governing documents for this RFP. WEG has taken certain exceptions to the RFP's commercial terms, including proposing revised limits on liquidated damages and cancellation charges, which are subject to economic evaluation. WEG also submits technical exceptions that must be evaluated by the District.

The proposal from Hitachi includes a guaranteed completion date that is "120-124 weeks after receipt of an order." As noted with respect to the WEG proposal, the District will have to assume the latest date in determining the guaranteed completion date from Hitachi. Hitachi has included pre-printed standard terms that must be withdrawn through a letter of clarification. Hitachi also has proposed a price escalation policy as well as different payment and warranty terms, and a cancellation schedule. Those terms are subject to the District's evaluation.

The Delta Star proposal specifies a guaranteed completion date of 170-178 weeks after receipt of an order, and, as noted above, this date must be calculated based on the latest time set forth in the proposal. The Delta Star proposal also includes standard terms that must be withdrawn through a letter of clarification, and proposes revisions to the cancellation charges, warranty, and escalation provisions of the contract documents. Those revisions are subject to the District's evaluation.

Subject to the foregoing comments and the District's technical and economic evaluation, the proposals of WEG, Hitachi, and Delta Star may be considered by the District's Board of Directors for the award of this contract; the proposal of Pennsylvania Transformer is legally non-responsive and may not be considered.

### 3.00 COMPLIANCE WITH TECHNICAL REQUIREMENTS

The proposal received from Pennsylvania Transformer Technology, Inc. had several technical deficiencies requiring it to be deemed technically non-responsive.

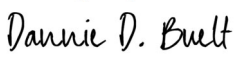
The proposal from WEG Transformer USA had several technical deficiencies requiring it to be deemed technically non-responsive.

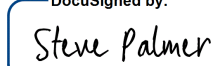
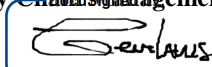
The proposal from Hitachi Energy did not provide the required technical details requiring it to be deemed technically non-responsive.



The proposal from Delta Star, Inc. had several technical deficiencies requiring it to be deemed technically non-responsive.

### 4.00 RECOMMENDATION

On the basis of compliance with the legal and technical requirements, it is recommended that all proposals received for RFP No. 6043 "161-13.8-13.8kV 40/53.3/67(75) MVA OLTC Transformer" be rejected by the Board of Directors and that District Management be authorized to enter into a negotiated contract.

  
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Dannie Buel, P.E.  
Director Engineering  
Utility Operations

<p align="center"><b>TABULATION OF BIDS</b>                  Opened at 2:00 p.m., C.D.T., Thursday,                  March 16, 2023, in Omaha, Nebraska</p>		<p align="center"><b>REQUEST FOR PROPOSAL NO. 6043</b></p> <p align="center"><b>161-13.8-13.8kv 40/53.3/67(75)MVA</b></p> <p align="center"><b>OLTC Transformer</b></p>			<p align="center">DocuSigned by:                    C171422F76EE422...  <b>Director</b></p> <p align="center">Supply Chain Management                    5EC5B86907EE4F8...  <b>Compiled by and Certified Correct</b></p>	
<p align="center">Anticipated Award Date                  April 20, 2023</p>						
<p align="center"><b>ENGINEER'S ESTIMATE</b></p> <p align="center"><u>\$2,500,000.00</u></p>						
<p align="center"><b>BID ITEM</b></p>		<b>BIDDER'S NAME &amp; ADDRESS</b>				
		<p align="center">Pennsylvania Transformer                  Technology, Inc 30 Curry Ave                  Canonsburg, PA 15317</p>	<p align="center">WEG Transformer USA                  6050 Weg Drive                  Washington, MO 63090</p>	<p align="center">Delta Star, Inc                  3550 Mayflower Drive                  Lynchburg, VA 24501</p>		
		<b>SUPPLIER'S BID</b>	<b>SUPPLIER'S BID</b>	<b>SUPPLIER'S BID</b>		
1.	<p><u>Proposal Price(S)</u></p> <p><b>Total Bid Price (A+B+C)</b></p>	<p><u>\$2,926,793.00</u></p>	<p><u>\$3,608,758.00</u></p>	<p><u>\$4,200,035.00</u></p>		
2.	<p><u>Delivery Guarantee(s)</u></p> <p><b>Delivery to OPPD Site 1 : March 1, 2025</b></p>	<p><u>Guaranteed Delivery Date</u></p> <p><u>March 1, 2025</u></p>	<p><u>Guaranteed Delivery Date</u></p> <p><u>95-100 Weeks ARO</u></p>	<p><u>Guaranteed Delivery Date</u></p> <p><u>170-178 Weeks ARO</u></p>		

<p align="center"><b>TABULATION OF BIDS</b>                  Opened at 2:00 p.m., C.D.T., Thursday,                  March 16, 2023, in Omaha, Nebraska</p>		<p align="center"><b>REQUEST FOR PROPOSAL NO. 6043</b></p> <p align="center"><b>161-13.8-13.8kv 40/53.3/67(75)MVA</b>  <b>OLTC Transformer</b></p>			<p align="center">DocuSigned by:                    C171422F76EE422...  <b>Director</b></p> <p align="center">DocuSigned by:                    SEC8889072E1E6...  <b>Supply Chain Management</b></p> <p align="center">Compiled by and Certified Correct</p>	
<p align="center">Anticipated Award Date                  April 20, 2023</p>						
<p align="center"><b>ENGINEER'S ESTIMATE</b></p> <p align="center"><u>\$2,500,000.00</u></p>						
<p align="center"><b>BID ITEM</b></p>		<b>BIDDER'S NAME &amp; ADDRESS</b>				
		<p align="center">Hitachi Energy USA Inc                  2135 Phipott Road                  South Boston, VA</p>				
		<b>SUPPLIER'S BID</b>	<b>SUPPLIER'S BID</b>	<b>SUPPLIER'S BID</b>		
1.	<p><u>Proposal Price(S)</u></p> <p>Total Bid Price (A+B+C)</p>					
		<u>\$5,395,000.00</u>	_____	_____		
2.	<p><u>Delivery Guarantee(s)</u></p> <p>Delivery to OPPD Site 1 : March 1, 2025</p>	<p align="center"><u>Guaranteed Delivery Date</u></p> <p align="center"><u>120 to 124 weeks from order award</u>  <u>Ex Works*</u></p>	<p align="center"><u>Guaranteed Delivery Date</u></p> <p align="center">_____</p>	<p align="center"><u>Guaranteed Delivery Date</u></p> <p align="center">_____</p>		

\* The guaranteed delivery date as read during the bid opening was "120 to 124 months from order award Ex Works". The actual guaranteed delivery date shown in the proposal document was "120 to 124 weeks"

March 21, 2023

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

RE: Request for Proposal No. 6043 – OLTC Power Transformer ("RFP No. 6043")

Ladies and Gentlemen:

We have reviewed the four (4) proposals received in response to the District's RFP No. 6043 and provide the following legal opinion.

The proposal of Pennsylvania Transformer ("PTTI") states that its proposal is valid only for 30 days. After the bid opening, PTTI sent a letter to OPPD stating that PTTI would allow its bid to expire after 30 days, which is before the date of the April Board meeting. Therefore, the PTTI proposal is legally non-responsive to the contract documents and cannot be considered for the award of this contract.

The proposal of WEG includes a guaranteed completion date of "95-100 weeks after receipt of order." In order to determine the guaranteed date, the District must assume the latest period identified in the response. WEG also has included pre-printed standard terms that must be withdrawn, because the District's contract documents, subject to revisions, are the governing documents for this RFP. WEG has taken certain exceptions to the RFP's commercial terms, including proposing revised limits on liquidated damages and cancellation charges, which are subject to economic evaluation. WEG also submits technical exceptions that must be evaluated by the District.

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The Delta Star proposal specifies a guaranteed completion date of 170-178 weeks after receipt of an order, and, as noted above, this date must be calculated based on the latest time set forth in the proposal. The Delta Star proposal also includes standard terms that must be withdrawn through a letter of clarification, and proposes revisions to the cancellation charges, warranty, and

March 21, 2023

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escalation provisions of the contract documents. Those revisions are subject to the District's evaluation.

Subject to the foregoing comments and the District's technical and economic evaluation, the proposals of WEG, Hitachi, and Delta Star may be considered by the District's Board of Directors for the award of this contract; the proposal of Pennsylvania Transformer is legally non-responsive and may not be considered.

Alternatively, Section 70-637(5) of the Nebraska Revised Statutes authorizes the Board of Directors to reject all bids if they are non-responsive to the contract documents or exceed the fair market value of the RFP's subject matter. If this option is selected, Management may then negotiate and enter into a contract for this procurement, subject to review and approval of the final contract by General Counsel. If the Board awards a contract, the form of performance and payment bond, if any, for the successful bidder also must be approved by the Board.

Very truly yours,



Stephen M. Bruckner  
FOR THE FIRM

SMB:sac  
2978409.2



**BOARD OF DIRECTORS**

# Board Action

April 18, 2023

ITEM

Award RFP No. 6043 “161-13.8-13.8kV 40/53.3/67(75) MVA OLTC Transformer”

PURPOSE

Board of Directors authorization to reject the proposals received for RFP No. 6043, and for the District to enter into a negotiated contract for a multi-year 161-13.8-13.8kV 40/53.3/67(75) MVA OLTC Transformer Contract to support reliability and load growth in developing areas of the community.

FACTS

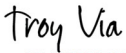
- a. The 161-13.8-13.8kV 40/53.3/67(75)MVA OLTC Transformers are required to support growth projects, spare inventory, and asset management replacements. This contract will initially procure a quantity of one (1) 161-13.8-13.8kV 75 MVA transformer to support load growth in Washington County.
- b. Desired contract will be for an initial term of one (1) year with the option to renew up to four (4) additional one (1) year terms with an acceptable escalation/de-escalation formula based on identified indices.
- c. Four (4) proposals were received; three (3) were legally responsive and zero (0) are technically responsive.
- d. Desired delivery of the 161-13.8-13.8kV 40/53.3/67(75)MVA OLTC Transformer is March 2025.

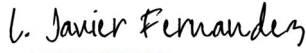
ACTION

Authorization by the Board to reject all proposals received for RFP No. 6043 “161-13.8-13.8kV 40/53.3/67(75) MVA OLTC Transformer” and allow District Management to enter into a negotiated contract.

RECOMMENDED:

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:  
  
 181187221FA24AE...  
 Troy R. Via  
 Chief Operating Officer and  
 Vice President – Utility Operations

DocuSigned by:  
  
 AC399FDCE58247E...  
 L. Javier Fernandez  
 President and Chief Executive Officer

TRV:jgb

- Attachments: Analysis of Proposals  
 Tabulation of Bids  
 Legal Opinion  
 Resolution