



### **RESOLUTION NO. 6579**

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

# REQUEST FOR PROPOSAL (RFP) NO. 6051 JS 1&2 and SC 1&2 13.8KV GENERATOR PROTECTIVE RELAY UPGRADE

**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 two proposals received for RFP No. 6051 are 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. 6051 are rejected and Management is authorized to negotiate and enter into a contract or contracts for the design and supply of replacement 13.8 kV Generator Protection Relays for Jones Street Station Units 1 & 2 and Sarpy County Station Units 1 & 2, subject to review and approval of the final contract(s) by the District's General Counsel.



# **MEMORANDUM**

**DATE:** May 26, 2023

UO-2023-009

FROM: S.A. Eidem

TO: T.R. Via

SUBJECT: Jones Street Station Units 1 & 2 and Sarpy County Station Units 1 & 2 13.8kV

Generator Protective Relay Upgrades

### 1.00 GENERAL

Request for Proposal (RFP) No. 6051 is for the material design and procurement contract for the Jones Street Station Units 1 & 2 and Sarpy County Station Units 1 & 2 13.8kV Generator Protective Relay Upgrades. This contract does not include installation which will be completed by OPPD craft labor during future scheduled maintenance outages.

The existing General Electric electro-mechanical protective relays have been in operation for over 40 years and are near the end of their life cycle per the original equipment manufacturer. The existing relays will be replaced with microprocessor based relays offering important Sequence of Events (SOE) information and advanced diagnostic capabilities not available with the existing technology.

The contract was advertised on April 6, 2023. No addenda or letters of clarification were issued. Bids were received and opened on May 11, 2023. Two companies submitted bids. The Engineers estimate for this work was \$600,000. The bid prices are as follows:

H.K. Scholz

\$540,000

SEL Engineering

\$1,688,100

# 2.00 <u>COMPLIANCE WITH CONTRACT TERMS AND CONDITIONS</u>

OPPD's legal counsel noted the proposal received from SEL Engineering Services, Inc. (SEL) is legally non-responsive due to guaranteed completion dates that are 7-8 months later than the desired completion dates.

In addition, SEL references that its proposal is subject to a previously negotiated Master Procurement Agreement that is effective until December 31, 2023 and SEL's proposal includes several additional commercial exceptions to the contract documents.

T.R. Via May 26, 2023 Page 2 of 2

OPPD's legal counsel noted the proposal received from Harold K. Scholz Co. ("Scholz") states that the guaranteed completion dates are "to be determined." Scholz's failure to include definitive guaranteed completion dates makes its' proposal legally non-responsive to the bidding documents.

## 3.00 <u>COMPLIANCE WITH TECHNICAL REQUIREMENTS</u>

Both proposals received were determined to comply with the technical requirements and were economically evaluated.

### 4.00 <u>RECOMMENDATION</u>

Based on compliance with legal and technical requirements of this specification, it is recommended that all proposals received for RFP No. 6051 be rejected by the Board of Directors and that District Management be authorized to enter into a negotiated contract.

S.A. Eidem, P.E.

Director, Engineering Services

**Utility Operations** 

TABULATION OF BIDS Opened at 2:00 p.m., C.D.T., Thursday, May 11, 2023, in Omaha, Nebraska  Anticipated Award Date June 15, 2023  ENGINEER'S ESTIMATE  \$600,000.00	REQUEST FOR PROPOSAL NO. 6051  JS 1&2 AND SC 1&2 13.8KV GENERATOR PROTECTIVE RELAY UPGRADE		Stew Pamer  Stew Pamer  6171422F76EE422  Director  Supply Chaim Management  Sec 5886907EE4F6  Compiled by and Certified Correct
	BIDDER'S NAME & ADDRESS		
BID ITEM	Harold K. Scholz Co. 7800 Serum Ave. Ralston, NE 68127	SEL Engineering Services, Inc. 1597 Cole Boulevard, Building 15, Suite 350 Lakewood, CO 80401	
	SUPPLIER'S BID	SUPPLIER'S BID	SUPPLIER'S BID
Proposal Price(S)			
Lump Sum Firm Price for SC1 Project Lump Sum Firm Price for SC2 Project Lump Sum Firm Price for JS1 Project Lump Sum Firm Price for JS2 Project Delivery Guarantee(s)  Completion of SC1 project: November 10, 2023 Completion of JS1 project: October 20, 2023  Completion of JS1 project: November 13, 2023	\$120,000.00 \$120,000.00 \$120,000.00 \$120,000.00  Guaranteed Delivery Date  To Be Determined  To Be Determined  To Be Determined	\$422,025.00 \$422,025.00 \$422,025.00 \$422,025.00 Guaranteed Delivery Date 6/15/2024 6/15/2024	Guaranteed Delivery Date
	Opened at 2:00 p.m., C.D.T., Thursday, May 11, 2023, in Omaha, Nebraska  Anticipated Award Date June 15, 2023  ENGINEER'S ESTIMATE  \$600,000.00  BID ITEM  Proposal Price(S)  Lump Sum Firm Price for SC1 Project Lump Sum Firm Price for SC2 Project Lump Sum Firm Price for JS1 Project Lump Sum Firm Price for JS2 Project Delivery Guarantee(s)  Completion of SC1 project: November 10, 2023 Completion of SC2 project: October 20, 2023	Opened at 2:00 p.m., C.D.T.,Thursday, May 11, 2023, in Omaha, Nebraska  REQUEST FOR PF  Anticipated Award Date June 15, 2023  ENGINEER'S ESTIMATE  \$600,000.00  BID ITEM  BID ITEM  BID ITEM  Proposal Price(S)  Lump Sum Firm Price for SC1 Project Lump Sum Firm Price for SC2 Project Lump Sum Firm Price for JS1 Project Lump Sum Firm Price for JS2 Project Lump Sum Firm Price for JS2 Project Cump Sum Firm Price for JS2 Project Delivery Guarantee(s)  Completion of SC1 project: November 10, 2023 Completion of JS1 project: November 13, 2023  Completion of JS1 project: November 13, 2023  To Be Determined To Be Determined To Be Determined	Opened at 2:00 p.m., C.D.T.,Thursday, May 11, 2023, in Omaha, Nebraska



Troy F. Meyerson ATTORNEY 402.978.5347 tmeyerson@fraserstryker.com fraserstryker.com

May 31, 2023

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

RE: Request for Proposal No. 6051 – JS1 & 2 and SC1 & 2 13.8KV Generator Protective

Relay Upgrade ("RFP No. 6051")

Ladies and Gentlemen:

We have reviewed the two (2) proposals received in response to the District's RFP No. 6051 and provide the following legal opinion.

The proposal of SEL Engineering Services, Inc. ("SEL") includes guaranteed completion dates that are 7 – 8 months later than the desired completion dates provided in RFP No. 6051. In addition, SEL references that its proposal is subject to a previously negotiated Master Procurement Agreement that is effective until December 31, 2023 and SEL's proposal includes several additional commercial exceptions to the contract documents. It is our opinion that these substantial deviations to the District's requested RFP terms render the SEL proposal legally non-responsive, and the SEL proposal may not be considered by the Board of Directors for the award of this contract.

The proposal of Harold K. Scholz Co. ("Scholz") states that the guaranteed completion dates are "to be determined". Scholz's failure to include definitive guaranteed completion dates makes its proposal legally non-responsive to the bidding documents and may not be considered by the Board of Directors for the award of this contract.

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. Accordingly, the Board of Directors may reject both proposals for RFP No. 6051 and authorize Management to negotiate an acceptable contract. We recommend that the final contract documents be reviewed and approved by the District's General Counsel.

Sincerely.

Troy F. Meyerson FOR THE FIRM

TFM: 3009463.1



# **Board Action**

#### **BOARD OF DIRECTORS**

June 13, 2023

### ITEM

Jones Street Station Units 1 & 2 and Sarpy County Station Units 1 & 2 13.8kV Generator Protective Relay Upgrades

### **PURPOSE**

Board of Directors authorization to reject proposals received for RFP 6051, and for the District to enter into a negotiated contract for the design and supply of replacement 13.8kV Generator Protection Relays for Jones Street Station Units 1 & 2 and Sarpy County Station Units 1 & 2.

### **FACTS**

- a. The existing electro-mechanical protective relays have been in operation for over 40 years and are near their end-of-life cycle per the original equipment manufacturer.
- b. Retrofitting with a microprocessor based relay offers valuable information reporting and advanced diagnostic capabilities not currently available with the existing electromechanical relays.
- c. The generator protective relay upgrades will be installed at each unit during future scheduled maintenance outages. Installation work will be done using OPPD craft labor.
- d. Two proposals were received and both were determined to be legally non-responsive.

### <u>ACTION</u>

Authorization by the Board to reject all proposals received for RFP No. 6051 and allow District management to enter into a negotiated contract.

RECOMMENDED:

DocuSigned by:

Troy R. Via

Trou Via

Vice President – Utility Operations And Chief Operating Officer

TRV:sae

Attachments: Letter of Recommendation

Tabulation of Bids Legal Opinion Resolution APPROVED FOR BOARD CONSIDERATION:

— Docusigned by: (,. Javier Fernandes

L. Javier Fernandez

President and Chief Executive Officer