



Mollhoff/Via

RESOLUTION NO. 6366

WHEREAS, OPPD issued Request for Proposal (RFP) No. 5674 to procure one (1) 161-69-13.8 kV 108/144/180 (201.6) MVA OLTC autotransformer for sparing needs; and

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, RFP No. 5674 provides an option for OPPD to renew the contract with the successful bidder for up to four (4) additional one (1) year terms based on the bidders' responses to escalation/de-escalation pricing provisions set forth in the RFP No. 5674 contract documents; and

WHEREAS, the proposal submitted by Hyundai Power Transformers USA, Inc. was evaluated by Management as the lowest and best bid and provided an acceptable escalation/de-escalation formula based on identified indices to address changes in commodity and labor prices; 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.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that Management is hereby authorized and directed to: (a) accept the proposal of Hyundai Power Transformers USA, Inc. for the purchase of one (1) 161-69-13.8 kV 108/144/180 (201.6) MVA OLTC Autotransformer, for the fixed price of \$1,994,064; (b) enter into a contract with Hyundai Power Transformers USA, Inc. that includes the price escalation/de-escalation provision offered by Hyundai, for an initial term of one (1) year, with the option to renew for up to four (4) additional one (1) year contract terms; and (c) the bond of such bidder hereby is approved.



Board Action

BOARD OF DIRECTORS

March 10, 2020

ITEM

Award 161-69-13.8kV 108/144/180 (201.6) MVA OLTC Autotransformer Contract

PURPOSE

Board of Directors authorization to award RFP No. 5674, for the purchase of one (1) 161-69-13.8kV 108/144/180 (201.6) MVA OLTC Autotransformer and to enter into a contract with Hyundai Power Transformers USA Inc. for an initial term of one (1) year with the option to renew for up to four (4) additional one (1) year terms.

FACTS

- a. Six (6) proposals were received; five (5) are legally and three (3) technically responsive.
- b. Hyundai Power Transformers USA Inc. proposal was evaluated as the lowest and best bid.
- c. Hyundai Power Transformers USA Inc. proposal included acceptable provisions for the option to renew for up to four (4) additional one (1) year terms, with an acceptable escalation/de-escalation formula based on identified indices.
- d. The purchase of one (1) transformer at a cost of \$1,994,064 will be ordered upon award to supply a spare unit in support of existing transformers in the current fleet with expected delivery in December 2020.
- e. Transformers purchased through renewals of the contract would be based on need and be used to support future spares, future load growth, or replacement projects.

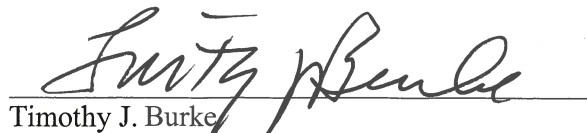
ACTION

Authorization by the Board to accept the proposal of Hyundai Power Transformers USA Inc. for the purchase of a 161-69-13.8kV 108/144/180 (201.6) MVA OLTC Autotransformer, as set forth in RFP No. 5674 "161-69-13.8kV 108/144/180 (201.6) MVA OLTC Autotransformer", and to enter into a contract with Hyundai Power Transformers USA Inc. for an initial term of one (1) year, with the option to renew for up to four (4) additional one (1) year terms, based on the evaluation of such RFP No. 5674 for the procurement of substation power transformers.

RECOMMENDED:


Troy R. Via

APPROVED FOR BOARD CONSIDERATION:


Timothy J. Burke

TRV:mre

Attachments: Analysis of Proposals
Tabulation of Bids
Legal Opinion
Resolution

your energy partner



Omaha Public Power District

MEMORANDUM

Date: February 28, 2020

From: D.D. Buelt

To: T. R. Via

RFP No. 5674

“161-69-13.8kV 108/144/180 (201.6) MVA OLTC AUTOTRANSFORMER”

Analysis of Proposals

1.00 GENERAL

RFP No. 5674 was advertised for bid on December 10, 2019.

RFP No. 5674 provides the opportunity to purchase 161-69-13.8kV autotransformers for 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) 161-69-13.8kV autotransformer to support current sparing needs.

One (1) 161-69-13.8kV autotransformer will deliver to an existing OPPD facility with expected delivery in December 2020.

One Letter of Clarification and three addendums were issued.

Bids were requested and opened at 2:00 p.m., C.S.T., Thursday, January 9, 2020.

Six (6) 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.	\$1,971,584	No	Yes
Hyundai Power Transformers USA Inc.	\$1,994,064	Yes	Yes
WEG Transformers USA	\$2,000,000	Yes	Yes
SPX Transformer Solutions, Inc.	\$2,305,537	Yes	Not Evaluated ³
Delta Star, Inc.	\$2,310,548 ¹ \$2,977,241 ²	Yes	Not Evaluated ³
ABB Enterprise Software Inc.	\$2,408,275	Yes	Not Evaluated ³

¹Lynchburg, VA Factory

²Quebec, ON Factory

³Insufficient Technical Data

2.00 COMPLIANCE WITH CONTRACT TERMS AND GENERAL REQUIREMENTS

The District's legal counsel noted that Pennsylvania Transformer Technology, Inc. took exception to the Contract Documents offered in the RFP materials and incorporated the Standard Terms and Conditions of Sale of the bidder, which materially increases the legal risks to the District. Pennsylvania Transformer Technology, Inc. stated its willingness to negotiate an agreeable set of terms and conditions, which is prohibited under sealed bidding statutes of the State of Nebraska. Proposal was noted as legally non-responsive and should not receive further consideration from the District.

The proposals of WEG Transformers USA, SPX Transformer Solutions, Inc., Delta Star, Inc., ABB, Inc. and Hyundai Power Transformers USA Inc. each contained minor exceptions to the District's terms requiring letters of clarification. The necessary Letters of Clarification were issued, and suppliers acknowledged compliance with the terms of the RFP.

Subject to the District's technical and economic evaluation and clarification of noted items, the proposals from WEG Transformers USA, SPX Transformer Solutions, Inc., Delta Star, Inc., ABB, Inc. and Hyundai Power Transformers USA Inc. were legally responsive and may be considered by the District's Board of Directors for award of the contract. The bond of the successful bidder also must be approved by the Board.

3.00 COMPLIANCE WITH TECHNICAL REQUIREMENTS

The proposals received from ABB Enterprise Software, Inc., Delta Star, Inc., and SPX Transformer Solutions, Inc. provided insufficient technical data and were not evaluated technically.

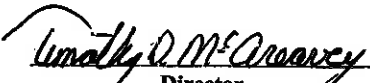
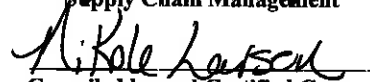
The proposals received from Pennsylvania Transformer Technology, Inc., Hyundai Power Transformers USA Inc. and WEG Transformers USA, were deemed technically responsive.


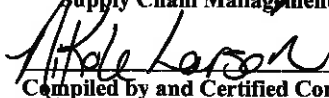
4.00 RECOMMENDATION

On the basis of compliance with legal and technical requirements, cost evaluations performed, and guaranteed completion dates, it is recommended that RFP No. 5674 "161-69-13.8kV 108/144/180 (201.6) MVA OLTC TRANSFORMER" be awarded to Hyundai Power Transformers USA Inc. to purchase 161-69-13.8kV 108/144/180 (201.6) MVA OLTC autotransformers for the initial one (1) year contract term with the option to renew up to four (4) additional one (1) year terms pursuant to the RFP No. 5674 and the escalation/de-escalation provisions in the Hyundai Power Transformers USA Inc. proposal. The initial purchase of one (1) 161-69-13.8kV autotransformer will support District sparing needs as well as the option for the District to purchase additional 161-69-13.8kV autotransformers during the renewal term.



Dannie D. Buel, P.E.
Director Engineering
Energy Delivery

TABULATION OF BIDS Opened at 2:00 p.m., C.S.T., Thursday, January 9, 2020, in Omaha, Nebraska	REQUEST FOR PROPOSAL NO. 5674 161-69-13.8kV MVA OLTC AUTOTRANSFORMERS Page 1 of 2			 Director Supply Chain Management  Compiled by and Certified Correct
Anticipated Award Date February 13, 2020				
ENGINEER'S ESTIMATE \$2,220,000.00				
BID ITEM	BIDDER'S NAME & ADDRESS			
	Pennsylvania Transformer Technology, Inc. 30 Curry Avenue Canonsburg, PA 15317	Hyundai Power Transformer USA 215 Folmar Parkway Montgomery, AL 36105	WEG Transformers USA 1 Pauwels Drive Washington, MO 63090	
	SUPPLIER'S BID	SUPPLIER'S BID	SUPPLIER'S BID	
1. Price Proposal: OPPD Site 1, 1101 North 180th Street, Omaha, NE 68022 Base Price Delivery 2. Completion Guarantee(s): Item 1 - Site 1 Desired Delivery Date: December 1, 2020	<u>\$1,742,784.00</u> <u>\$228,800.00</u> <u>Guaranteed Completion Date</u> <u>Shipment 42-46 Weeks ARO</u>	<u>\$1,812,278.00</u> <u>\$181,786.00</u> <u>Guaranteed Completion Date</u> <u>December 1, 2020</u>	<u>\$1,780,000.00</u> <u>\$220,000.00</u> <u>Guaranteed Completion Date</u> <u>49-51 Weeks ARO</u>	

TABULATION OF BIDS Opened at 2:00 p.m., C.S.T., Thursday, January 9, 2020, in Omaha, Nebraska	<p style="text-align: center;">REQUEST FOR PROPOSAL NO. 5674 161-69-13.8kV MVA OLTC AUTOTRANSFORMERS</p> <p style="text-align: right;">Page 2 of 2</p>			 Director Supply Chain Management  Compiled by and Certified Correct
Anticipated Award Date February 13, 2020				
ENGINEER'S ESTIMATE \$2,220,000.00				
BID ITEM	BIDDER'S NAME & ADDRESS			
	SPX Transformer Solutions, Inc. 400 S. Prairie Avenue Waukesha, WI 53186	ABB Enterprise Software Inc. 901 Main Campus Drive, Suite 500 Raleigh, NC 27606	Delta Star, Inc. 3550 Mayflower Drive Lynchburg, VA 24501	
	SUPPLIER'S BID	SUPPLIER'S BID	SUPPLIER'S BID	
1. Price Proposal: OPPD Site 1, 1101 North 180th Street, Omaha, NE 68022 Base Price Delivery 2. Completion Guarantee(s): Item 1 - Site 1 Desired Delivery Date: December 1, 2020	<p style="text-align: center;"><u>\$2,217,187.00</u></p> <p style="text-align: center;"><u>\$88,350.00</u></p> <p style="text-align: center;"><u>Guaranteed Completion Date</u></p> <p style="text-align: center;"><u>January 28, 2021</u></p>	<p style="text-align: center;"><u>\$2,013,275.00</u></p> <p style="text-align: center;"><u>\$395,000.00</u></p> <p style="text-align: center;"><u>Guaranteed Completion Date</u></p> <p style="text-align: center;"><u>December 1, 2020 *</u></p> <p style="text-align: center;"><u>*Order must be received by</u> <u>January 30, 2020</u></p>	<p style="text-align: center;"><u>\$2,132,868.00 Lynchburg</u> <u>\$2,784,068.00 Quebec</u> <u>\$2,310,548.00 Lynchburg</u> <u>\$2,977,241.00 Quebec</u></p> <p style="text-align: center;"><u>Guaranteed Completion Date</u></p> <p style="text-align: center;"><u>No later than December 1, 2020</u> <u>28-34 Weeks ARO from</u> <u>Lynchburg & Quebec</u></p>	

FRASER STRYKER

PC LLO

LAWYERS

500 ENERGY PLAZA
409 SOUTH 17TH STREET
OMAHA, NEBRASKA 68102-2663
TELEPHONE 402.341.6000
FAX 402.341.8290
WWW.FRASERSTRYKER.COM

TROY F. MEYERSON
DIRECT DIAL: 402.978.5347
TMEYERSON@FRASERSTRYKER.COM

January 24, 2020

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

RE: Request for Proposal No. 5674 — 161-69-13.8kv MVA OLTC Autotransformers
("RFP No. 5674")

Ladies and Gentlemen:

We have reviewed the six (6) proposals received in response to RFP No. 5674 and provide the following opinion.

The proposal of Pennsylvania Transformer Technology, Inc. ("Pennsylvania") incorporates Standard Terms and Conditions of Sale of the bidder which would materially increase the legal risks to be accepted by the District. In the alternative, Pennsylvania states its willingness to negotiate an agreeable set of terms and conditions, which is prohibited under the sealed bidding statutes of the State of Nebraska. As a result, we believe this bidder's proposal is legally non-responsive and should not receive further consideration from the District.

The proposal of WEG Transformers USA ("WEG") states that it will remain valid until December 26, 2019. If this proposal is to receive further consideration, a letter of clarification acknowledging the validity of the proposal through the date desired by the District should be obtained from this bidder. In addition, WEG submitted certain commercial and technical clarifications that are subject to evaluation by the District.

The proposal of SPX Transformer Solutions, Inc. ("SPX") includes several commercial and legal exceptions, along with language stating SPX "reserves the right to review the final documents and Agreement that will govern the order prior to acceptance of a Purchase Order." In addition, the proposal states SPX "requests consideration and discussion on the following [exceptions]." If this proposal is to receive further consideration, a letter of clarification acknowledging that SPX will accept the Master Procurement Agreement included in the RFP documents with the inclusion of the exceptions expressly stated in SPX's proposal should be obtained from this bidder. In addition, SPX submitted certain commercial and technical clarifications that are subject to evaluation by the District.

The proposal of Delta Star, Inc. ("Delta Star") takes exception to the District's standard delivery terms and states that delivery of the equipment will be "DDP Foundation". We recommend that the District request a letter of clarification from Delta Star clarifying this bidder's modified delivery term as referenced in their proposal. In the event that a satisfactory letter of clarification is received from this bidder, such bidder's commercial and technical clarifications should be evaluated by the District in its overall economic evaluation of the proposals received.

The proposal of ABB, Inc. ("ABB") includes redlined exceptions to the District's Master Procurement Agreement, as well as ABB's standard General Terms and Conditions of Sale. If this proposal is to receive further consideration, a letter of clarification should be obtained from this bidder acknowledging that ABB will execute the District's Master Procurement Agreement included in ABB's proposal as redlined by ABB, and withdraws the ABB General Terms and Conditions of Sale. In addition, ABB submitted certain commercial and technical clarifications that are subject to evaluation by the District.

The proposal of Hyundai Power Transformers USA Inc. ("Hyundai") references Addenda 1 - 3, which are not included in the Hyundai proposal. If this proposal is to receive further consideration, a letter of clarification should be obtained from this bidder acknowledging that Hyundai's only exceptions to the District's Master Procurement Agreement are located on page 36 (Exhibit A - Proposal Data) to Hyundai's proposal. In addition, Hyundai submitted certain commercial and technical clarifications that are subject to evaluation by the District.

Subject to the foregoing comments and the District's technical and economic evaluation, five (5) of the six proposals received in response to RFP No. 5674 may be considered by the District's Board of Directors for the award of this contract. The bond of the successful bidder also must be approved by the Board.

Very truly yours,



Troy F. Meyerson
FOR THE FIRM