



Mollhoff/Via

RESOLUTION NO. 6387

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

**REQUEST FOR PROPOSAL (RFP) NO. 5735
345-161-13.8KV 300/400/500 (560) MVA OLTC AUTOTRANSFORMER**

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;

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

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 or exceed the fair market value for the proposed scope of work, and to authorize Management to pursue a negotiated contract; and

WHEREAS, the Board of Directors concurs with Management's recommendation that two of the proposals for RFP No. 5735 are technically non-responsive and the other two proposals exceed the fair market value 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. 5735 are rejected and Management is authorized to negotiate and enter into a contract for this project, subject to review and approval of the final contract by the District's General Counsel.



Board Action

BOARD OF DIRECTORS

August 11, 2020

ITEM

Award 345-161-13.8kV 300/400/500 (560) MVA OLTC Autotransformer Contract

PURPOSE

Board of Directors authorization to reject the proposals received for RFP No. 5735, and for the District to enter into a negotiated contract for the purchase of one (1) 345-161-13.8kV 300/400/500 (560) MVA OLTC Autotransformer and to enter into a contract 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. Four (4) proposals were received; four (4) are legally responsive, two (2) are technically non-responsive, and two (2) were not evaluated technically due to proposals being above fair market value.
- b. Initial purchase of one (1) transformer will be ordered upon successful contract award to support an active autotransformer replacement.
- c. Renewable contract provision includes an escalation/de-escalation formula based on identified indices.
- d. 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 reject all proposals received for RFP No. 5735 “345-161-13.8kV 300/400/500 (560) MVA OLTC Autotransformer” and allow District Management to enter into a negotiated contract.

RECOMMENDED:

/s/ Troy R. Via

Troy R. Via
Vice President – Energy Delivery

APPROVED FOR BOARD CONSIDERATION:

/s/ Timothy J. Burke

Timothy J. Burke
President and CEO

TRV:mre

Attachments: Analysis of Proposals
Tabulation of Bids
Legal Opinion
Resolution



MEMORANDUM

Date: August 5, 2020
 From: D.D. Buelt
 To: T. R. Via

RFP No. 5735
 “345-161-13.8kV 300/400/500 (560) MVA OLTC AUTOTRANSFORMER”
Analysis of Proposals

1.00 GENERAL

RFP No. 5735 was advertised for bid on May 12, 2020.

RFP No. 5735 provides the opportunity to purchase 345-161-13.8kV 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) 345-161-13.8kV autotransformer to support current replacement needs with desired delivery in September 2021.

One Letter of Clarification and zero addendums were issued. Letter of Clarification addressed questions around payment terms, tap changer type, full loss capacity evaluation, and variable flux voltage variation design.

Bids were requested and opened at 2:00 p.m., C.D.T., Wednesday, June 10, 2020.

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.	\$3,488,588	Yes	No
Hyundai Electric America Corporation	\$3,864,651	Yes	No
ABB Enterprise Software Inc.	\$4,690,000	Yes	Not Evaluated ¹
SPX Transformer Solutions, Inc.	\$4,283,756.43	Yes	Not Evaluated ¹

¹ Technical evaluation suspended due to economic evaluation exceeding fair market value

2.00 COMPLIANCE WITH CONTRACT TERMS AND GENERAL REQUIREMENTS

OPPDP’s legal counsel noted Pennsylvania Transformer Technology, Inc. (PTTI) took exception to the Contract Documents terms offered in the RFP materials and submitted pre-printed contract terms and conditions, which PTTI states are to be considered binding for this contract. Guaranteed completion date was provided as 48-52 weeks upon receipt of order. The proposal was noted as legally responsive with the understanding that clarification be obtained that OPPD’s contract documents shall govern.

Hyundai Electric America Corporation (Hyundai)'s proposal included exceptions to OPPD's limit of liability. The exceptions are subject to OPPD's economic and risk evaluation.

ABB Enterprise Software, Inc. proposal included exceptions to OPPD's cancellation schedule and limit of liability to the contract price. Legal did not deem these exceptions to be material; however subject to OPPD's economic and risk evaluation.

SPX Transformer Solutions, Inc. proposal included exceptions to OPPD's limit of liability to the contract price, provided a guaranteed completion date based on 52 weeks after receipt of order and provided a bid price which may be subject to revision based on changes in commodity prices. Legal did not deem these exceptions to be material; however subject to OPPD's economic and risk evaluation.

Subject to the foregoing recommendations and OPPD's technical and economic evaluation and clarification of noted items, all of the proposals received may be considered by OPPD's Board of Directors for the award of this contract. The bond of the successful bidder also must be approved by the Board.

3.00 COMPLIANCE WITH TECHNICAL REQUIREMENTS

The proposal received from Pennsylvania Transformer Technology, Inc. was non-compliant with the technical specifications and determined to be technically non-responsive.

The proposals received from Hyundai Electric America Corporation was technically complete but delivery date of December 30, 2021 did not meet desired delivery date of September 1, 2021 hence deemed technically non-responsive.

The proposals received from ABB Enterprise Software, Inc., and SPX Transformer Solutions, Inc. were not evaluated technically based on economic evaluation exceeding fair market value.

4.00 RECOMMENDATION

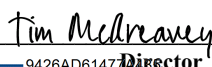
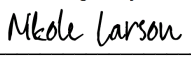
On the basis of compliance with legal and technical requirements and economic evaluations performed, it is recommended that all proposals received for RFP No. 5735 "345-161-13.8kV 300/400/500 (560) MVA OLTC TRANSFORMER", be rejected by the Board of Directors and that Management be authorized to enter into a negotiated contract for this project..



/s/ Dannie D. Buelt

Dannie D. Buelt, P.E.

Director Engineering

Energy Delivery

<p align="center">TABULATION OF BIDS Opened at 2:00 p.m., C.D.T., Wednesday, June 10, 2020, in Omaha, Nebraska</p>	<p align="center">REQUEST FOR PROPOSAL NO. 5735 345-161kV 300/400/500(560) MVA OLTC AUTOTRANSFORMER</p> <p align="right">Page 1 of 2</p>			<p>DocuSigned by:  9426AD61477 Director Supply Chain Management DocuSigned by:  Completed by and Certified Correct</p>
<p align="center">Anticipated Award Date August 13, 2020</p>				
<p align="center">ENGINEER'S ESTIMATE</p> <p align="center">\$3,050,000.00</p>				
<p align="center">BID ITEM</p>	<p align="center">BIDDER'S NAME & ADDRESS</p>			
	<p align="center">Pennsylvania Transformer Technology, Inc. 30 Curry Avenue Canonsburg, PA 15317</p>	<p align="center">Hyundai Electric America Corporation 6100 Atlantic Boulevard 2nd fl. Norcross, GA 30071</p>	<p align="center">ABB Enterprise Software, Inc. 13695 Rider Trail North Earth City Mo. 63045</p>	
<p>1. Price Proposal: OPPD Site 1, Deliver one (1) 345-161kV Grd Wye - 13.8kV Delta, 300/400/500(560) MVA OLTC Autotransformer to 10524 Blondo Street, Omaha, NE 68134 Base Price Delivery</p> <p>2. Delivery Guarantee(s): Item 1 - Site 1 Desired Delivery Date: September 1, 2021</p>	<p align="center"> <u>\$2,908,288.00</u> <u>\$580,300.00</u></p> <p align="center"><u>Guaranteed Delivery Date</u></p> <p align="center"><u>shipment 48-52 wks. ARO</u></p>	<p align="center"> <u>\$3,458,332.00</u> <u>\$406,319.00</u></p> <p align="center"><u>Guaranteed Delivery Date</u></p> <p align="center"><u>December 30, 2021</u></p>	<p align="center"> <u>\$3,920,000.00 see proposal for details</u> <u>\$770,000.00 see proposal for details</u></p> <p align="center"><u>Guaranteed Delivery Date</u></p> <p align="center"><u>September 1st, 2021</u></p>	

<p align="center">TABULATION OF BIDS Opened at 2:00 p.m., C.D.T., Wednesday, June 10, 2020, in Omaha, Nebraska</p>	<p align="center">REQUEST FOR PROPOSAL NO. 5735 345-161kV 300/400/500(560) MVA OLTC AUTOTRANSFORMER</p> <p align="right">Page 2 of 2</p>		<p>DocuSigned by:  9426AD61477A... Director Supply Chain Management DocuSigned by:  Completed by and Certified Correct</p>
<p align="center">Anticipated Award Date August 13, 2020</p>			
<p align="center">ENGINEER'S ESTIMATE \$3,050,000.00</p>			
<p align="center">BID ITEM</p>	<p align="center">BIDDER'S NAME & ADDRESS</p>		
	<p align="center">SPX Transformer Solutions, Inc. 400 S. Prairie Ave. Waukesha WI, 53186</p>		
<p>1. Price Proposal: OPPD Site 1, Deliver one (1) 345-161kV Grd Wye - 13.8kV Delta, 300/400/500(560) MVA OLTC Autotransformer to 10524 Blondo Street, Omaha, NE 68134 Base Price Delivery</p> <p>2. Delivery Guarantee(s): Item 1 - Site 1 Desired Delivery Date: September 1, 2021</p>	<p align="center">\$4,283,756.43 Included in base price</p> <p align="center"><u>Guaranteed Delivery Date</u> 52 weeks ARO</p>		



FRASER STRYKER

PC LLO

LAWYERS

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

STEPHEN M. BRUCKNER
DIRECT DIAL: 402.978.5225
SBRUCKNER@FRASERSTRYKER.COM

July 2, 2020

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

RE: Request for Proposal No. 5735 - 345-161kV Autotransformer

Ladies and Gentlemen:

We have reviewed the four (4) proposals received in response to the District's RFP No. 5735 and provide the following legal opinion.

The proposal of Pennsylvania Transformer Technology, Inc. specifies a guaranteed completion date of "48-52 weeks after receipt of order." Therefore, in order to determine the guaranteed completion date for evaluation purposes, OPPD will have to use the date that is 52 weeks after the expected issuance of the contract as the guaranteed completion date. The Pennsylvania Transformer proposal also submits pre-printed contract terms and conditions, which Pennsylvania Transformer states are to be considered binding for this contract. That is not consistent with the District's contract documents. The terms proposed by Pennsylvania Transformer include a limit of liability of the total contract price, cancellation charges, and a revised warranty provision, as well as the specification of Pennsylvania law as the governing law for the contract. If the Pennsylvania Transformer proposal is to receive further consideration for the award of this contract, the District must obtain a letter of clarification from Pennsylvania Transformer stating that in the event of conflict between the District's contract documents and the pre-printed terms proposed by Pennsylvania Transformer, the District's contract documents shall govern. If Pennsylvania Transformer does not provide such a letter, then we deem the proposal to be materially non-responsive to the contract documents, and it shall receive no further consideration for the award of the contract.

The proposal of Hyundai submits limited exceptions to the District's contract documents. The exceptions include a limit of liability to the contract price. The exceptions are subject to the District's economic and risk evaluation.

The proposal of ABB Enterprise Software, Inc. submits exceptions to the contract documents that includes a cancellation schedule in the event of OPPD's termination for convenience, and a limit of

liability to the contract price. We do not deem the exceptions to be material; however, they are subject to the District's economic and risk evaluation.

Finally, SPX Transformer Solutions proposes that the bid price may be subject to revision based on changes in commodity prices. SPX Transformer Solutions submits indices that would be used to calculate any change in the price. The SPX Transformer proposal also specifies a guaranteed completion date 52 weeks after receipt of an order. The District will have to calculate the actual guaranteed completion date based on that submission. Finally, the SPX Transformer proposal includes limited exceptions to the contract documents, including a proposed limit of liability of 1.5 times the contract price. Those exceptions are not, in our opinion, materially non-responsive and may be considered in the District's economic and risk evaluation. The SPX Transformer proposal submits technical exceptions that are subject to the District's evaluation.

Subject to the foregoing comments and recommendations, and the District's technical and economic evaluation, all of the proposals received in response to the District's RFP No. 5735 may be considered by the District's Board of Directors for the award of this contract. If a bond is required for this project, it too must receive approval of the Board.

Very truly yours,



Stephen M. Bruckner
FOR THE FIRM

SMB/sac
2377422