

**CITY OF NAPERVILLE  
AWARD OF CONTRACT  
PROCUREMENT NUMBER 18-163**

**Requesting Department:** Electric Utility  
**Procurement Name:** S&C Electric Switchgear Equipment  
**Recommended Vendor:** S&C Electric Company  
**Amount of Award:** \$71,904

**BACKGROUND**

The Electric Utility uses 600-amp switch gear to isolate and switch load from one feeder to another on the main feeders coming from the substations. The gear is also used to fuse load on the low side of the switch gear. 600-amp switch gear is an integral part of distribution system, contributing to the delivery of safe and reliable power to our customers. These units will be inventoried at the Electric Service Center and will be used as replacements and for new construction as needed.

**DISCUSSION**

In March 1994, City Council approved sole source award for bid 93-122 for Padmounted Switchgear and to negotiate all future switchgear costs with S&C Electric Company.

**FISCAL IMPACT**

CIP#: N/A



The cost for switch gear is budgeted in the Operating Supplies account listed below. The requested award of \$71,904 is within budget.

Account Number	Fund Description	Balance Amount
40101300-541407	Electric Utility Fund	\$1,502,300

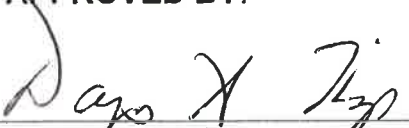
**RECOMMENDATION**

Approve the award of Sole Source Procurement 18-163, S&C Electric Switchgear Equipment, S&C Electric for an amount not to exceed \$71,904

**SUBMITTED BY:**

 6/25/18       6/26/18  
Mark Curran, Director      Date      Rachel Mayer      Date  
Electric Utility           Chief Procurement Officer

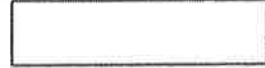
**APPROVED BY:**

 6/27/18  
Douglas A. Krieger      Date  
City Manager



# Naperville

CITY COUNCIL



## COUNCIL AGENDA ITEM SUMMARY SHEET

AGENDA

TITLE: Recommendation of Award of Bid 93-122, Padmounted Switchgear

SUBMISSION DATE: 03/08/94

REQUESTED AGENDA DATE: 03/15/94

- |  |  |
|--|--|
| <input type="checkbox"/> Public Hearing  | <input type="checkbox"/> Board Minutes               |
| <input type="checkbox"/> Ordinance <u>Omni</u> <input type="checkbox"/> Not Omni | <input type="checkbox"/> Petition to Plan Commission |
| <input type="checkbox"/> Resolution  | <input type="checkbox"/> Acceptance of Improvements  |
| <input checked="" type="checkbox"/> Bid Award                                    | <input type="checkbox"/> Petition to ZBA             |
| <input type="checkbox"/> Staff Report/Recommendation                             | <input type="checkbox"/> Appointment to a Board      |
| <input type="checkbox"/> Board Report/Recommendation                             | <input type="checkbox"/> Mayoral Proclamation        |
| <input type="checkbox"/> Petition/Communication                                  | <input type="checkbox"/> Insurance Claims Report     |
| <input type="checkbox"/> Plat - Preliminary/Final                                | <input type="checkbox"/> Bills and Payroll           |
| <input type="checkbox"/> Annexation Agreement                                    | <input type="checkbox"/> Budget Transfer             |
| <input type="checkbox"/> Expenditure   | <input type="checkbox"/> SIA                         |
| <input type="checkbox"/> Liability Case  | <input type="checkbox"/> Other _____                 |

SYNOPSIS: Approve the award to the sole bidder.

PAPERWORK: Attached x Will be submitted on \_\_\_\_\_ date

Previously submitted on \_\_\_\_\_ date

COUNCIL ACTION PREVIOUSLY TAKEN:

Date of action: \_\_\_\_\_ Action: \_\_\_\_\_

Item No. \_\_\_\_\_

COUNCIL REQUESTED TO SAVE PAPER FROM MEETING DATE: \_\_\_\_\_

COUNCIL ACTION REQUESTED/RECOMMENDED THIS MEETING:

Approve Bid 93-122, Padmounted Switchgear, to S & C Electric Co. for a not to exceed total cost of \$725,300.00 and allow staff to negotiate, with S & C Electric Co., all future increases outside the bidding process.

Submitted by: Julia A. Carroll  
Name

Finance  
Department

City of Naperville  
Jan. 20, 1998

**Original Index**

Material	Percentage
Mild Steel	15
Fiberglass	5
Cypoxy	5
Aluminum	5
Labor	70

**Revised Index**

Material	Percentage
Mild steel	17
Fiberglass	4
Cypoxy	4
Plastic	3
Aluminum	3
Copper	3
Stainless Steel	3
Paint	3
People Cost	60

S&C has developed the new indices in 1997 and the new index composite is 1.0200 for December 1997. If the above is acceptable, the 1998 December composite index will be then compared to 1.0200 in order to adjust upward or downward the specific PME pricing for 1999 calendar year. The mechanics used will be identical to that used currently and in the past which have resulted in the new proposed 1998 pricing.

We request the concurrence of the City in the above pricing and we then will work with the Electric Department to schedule the units as required for this calendar year based on above net 1997 pricing. If any questions arise please call upon my services.

Very truly yours,

  
Arthur T. Eagen  
S&C ELECTRIC COMPANY

cc: Steve Maruszewski - S&C  
Joann Reif - S&C



# S&C ELECTRIC COMPANY

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FAX: (773) 381-4891

Mr. Chris Rothman  
City of Naperville  
400 S. Eagle Street  
Naperville, IL 60566-7020

January 20, 1998

Subject: 1998 S&C PME Pad Mount Gear  
Unit Pricing Confirmation

Dear Chris,

As we discussed last week, I am pleased to confirm the subject pricing for the (2) types of stocking 14.4 Kv Pad-Mount Gear that the City Department of Public Utilities-Electric does use.

I list as follows the catalog numbers, 1997 unit pricing and 1998 unit pricing:

Catalog Number/Type	Unit 1997 Price	Unit 1998 Price
#65152R1-F2 / PME-9	\$7,478.-	<del>\$7,611.-</del> 7,608.- <i>AE</i>
#65162R1-F2 / PME-11	\$7,785.-	\$7,921.-

1-21-98

Note: all above pricing includes as in past the full quantity of fuse unit end fittings, Catalog # 3093. This is quantity (6) for each PME-9 and quantity (3) for each PME-11. The beginning and end indices are 2.176 and 2.214, respectively.

Also, S&C has reviewed these indices for the first time since their inception seven years ago and we have developed some slight changes to their categories. This action was taken to further fine tune the indices ability to accurately follow the cost of producing products and S&C expects these indices to perform well in the future.

The old and the new Indices are listed with their respective material classes and percentages as follows, for your information:

C: *Lerry-fiji*

**CITY OF NAPERVILLE  
INTEROFFICE MEMORANDUM**



**DATE:** January 21, 1998  
**TO:** Allan Poole, Director of Public Utilities  
Mark Curran, Assistant Director-Electric  
**THROUGH:** Jerry Glanz, Purchasing Manager *Jerry Glanz*  
**FROM:** Christopher Rossman, Buyer *CWR*  
**SUBJECT:** 1998 S&C PME Pad Mount Gear Unit Pricing

Attached are the 1998 prices proposed by Art Eagan from S&C Electric Company regarding the Pad-Mounted Gear. Both items that the City orders have a price increase from last year due to an increase in the cost of raw materials. The price increase of 1.75% is acceptable by the Purchasing Division after reviewing cost indexes and being comparable. Please review the information, and if you agree that the City should continue purchasing the Pad-Mount Gear from S&C Electric Company, please sign below and I will proceed to implement the new agreed upon prices.

I CONCUR WITH THE RECOMMENDATION

*Mark J Curran* 1/21/98  
\_\_\_\_\_  
Mark Curran Date

*Allan Poole pmx* 1/21/98  
\_\_\_\_\_  
Allan Poole Date

CITY OF NAPERVILLE  
INTEROFFICE MEMORANDUM

DATE: March 8, 1994

TO: Ronald S. Miller

THROUGH: Julia A. Carroll *Julia A. Carroll*

FROM: Jerry Glanz *Jerry Glanz*

SUBJECT: Recommendation of Award of Bid 93-122, Padmounted Switchgear

On December 20, 1993, one (1) sealed bid for the above subject was opened and read aloud. Bid packages were sent to twenty-three (23) vendors and the bid was advertised in the Chicago Tribune. The bid response is as follows:

<u>BIDDER</u>	<u>TOTAL</u>
S & C Electric Co. Chicago, IL	\$ 725,300.00

The electric utility has had discussions with various manufacturers over the years in an attempt to foster a multisource purchasing base for this product. These manufacturers lack the ability to meet key portions of the specifications for safety devices as requested by the engineers and linemen. Also, the S & C switchgear is SCADA ready (see attached).

The bid received from S & C Electric Co. meets the specifications and requirements of the City as reviewed by the Purchasing Division and the Department of Public Utilities-Electric at a reasonable price.

Based on this information, I recommend the award of Bid 93-122, Padmounted Switchgear, to S & C Electric Co., for a not to exceed total cost of \$725,300.00 and allow staff to negotiate, with S & C Electric Co., all future increases outside the bidding process. Monies are budgeted in the Department of Public Utilities-Electric Inventory account.

Prepared by

*Paul T. Brock*  
Paul T. Brock

S&C Blended Index Pad Mounted Gear - Mild Steel

2017 Second Quarter S&C Index - 6/30/2017

Material Group	% of Index	3rd Quarter 2016	4th Quarter 2016	1st Quarter 2017	2nd Quarter 2017	3rd Quarter 2017	2Q 2017 to 3Q 2017 Change in Index	1Q 2017 to 3Q 2017 Change in Index	4Q 2016 to 3Q 2017 Change in Index	3Q 2016 to 3Q 2017 Change in Index
Aluminum	0.9%	1.099	1.099	1.099	1.157	1.157	0.0%	5.2%	5.2%	5.2%
Aluminum Castings	2.2%	1.170	1.173	1.172	1.173	1.177	0.3%	0.4%	0.4%	0.6%
Ferrous Metal Castings	0.5%	1.158	1.182	1.183	1.178	1.187	0.7%	0.3%	0.4%	2.5%
Chemicals	1.4%	1.218	1.222	1.224	1.225	1.229	0.3%	0.4%	0.5%	0.9%
Copper and Copper Alloys	1.4%	0.814	0.792	0.797	0.848	0.863	1.9%	8.3%	9.0%	6.1%
Cyppoxy	1.5%	1.282	1.282	1.282	1.282	1.282	0.0%	0.0%	0.0%	0.0%
Metal Fasteners	0.7%	1.158	1.152	1.152	1.151	1.158	0.6%	0.5%	0.5%	0.0%
Fiberglass	1.8%	1.143	1.143	1.146	1.142	1.142	0.0%	-0.3%	-0.1%	-0.1%
Mechanical Components	1.6%	1.013	1.013	1.004	1.004	1.062	5.8%	5.8%	4.9%	4.9%
Other Materials	3.0%	1.094	1.094	1.094	1.094	1.144	4.6%	4.6%	4.6%	4.6%
Packaging	0.6%	1.218	1.175	1.175	1.140	1.152	1.0%	-2.0%	-2.0%	-5.4%
Paint	0.9%	1.250	1.250	1.250	1.250	1.250	0.0%	0.0%	0.0%	0.0%
Plastic	1.8%	1.304	1.300	1.311	1.318	1.318	0.0%	0.5%	1.4%	1.1%
Stainless Steel	1.3%	0.774	0.774	0.779	0.790	0.789	-0.1%	1.3%	2.0%	1.9%
Steel	16.4%	1.138	1.143	1.144	1.148	1.199	4.4%	4.8%	4.9%	5.4%
BLS Compensation, Full-time Mfg.		39.17	39.49	39.62	39.73	40.04	0.8%	1.1%	1.4%	2.2%
BLS Compensation, Indexed to Q4 2005 <sup>^</sup>		1.335	1.345	1.350	1.354	1.364	0.8%	1.1%	1.4%	2.2%
Change In Material										
BLS Compensation, Indexed to Q4 2005 <sup>^</sup>	36%	1.127	1.128	1.129	1.134	1.166	2.7%	3.2%	3.3%	3.4%
Productivity Factor <sup>**</sup>	58%	1.335	1.345	1.350	1.354	1.364	0.8%	1.1%	1.4%	2.2%
Productivity Factor <sup>**</sup>	6%	1.000	1.000	1.000	1.000	1.000	0.0%	0.0%	0.0%	0.0%
<b>Blended Price Index</b>	<b>100%</b>	<b>1.240</b>	<b>1.246</b>	<b>1.249</b>	<b>1.253</b>	<b>1.271</b>	<b>1.4%</b>	<b>1.7%</b>	<b>2.0%</b>	<b>2.5%</b>

Confidential

\*\* 10% of non-material portion of the product index. In this case, non-material portion of product index = 100% - 36% = 64%. Productivity factor = (10%) X (64%) = 6%.

<sup>^</sup> Value of BLS Compensation, Full-time Mfg. indexed to its Q4 2005 value = 29.35. For example, Q4 2012 value = 33.66. Indexed Value - 33.66 / 29.35 = 1.147.

# **S&C Composite Price Indices**

## **Overview**

The price adjustments for the PME Pad-Mounted Switchgear purchased by the City of Naperville are based on the S&C Composite Pricing Indices. S&C has maintained these indices since 1990 and uses them as the mechanism for adjusting prices on several blanket contracts. Many customers are generally familiar with the Producer Price Index (PPI) which is provided by the Bureau of Labor Statistics. While many PPI's are published, there are no categories specifically addressing the products S&C offers. The search for a method of indexing that deals more directly with our products led S&C to introduce the S&C Composite Pricing Indices.

Like the PPI, the S&C indices are determined from the weighted costs of components and materials which make up specific S&C products. Unique indices have been created for a variety of products. The index for each product group is calculated using material cost of each part for the selected products representing the product group. The weighting percentage for material was established based on historical data and is monitored for any significant changes. History has shown that our weighting percentages have remained stable. All items used in a given product are put into material groups, such as steel, stainless steel, fiberglass, etc. The indices track the changes in our material and people costs for the time periods being compared.

In the fall of 2005 S&C implemented a new enterprise-wide computer system. This change required us to revise the Composite Price Index Tool to be consistent with the new data collection and reporting system.