



Legislation Text

File #: 19-955, **Version:** 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Waive the applicable provisions of the Naperville Procurement Code and award Bid 19-184, Electrical Substation Relay & Supervisory Control and Data Acquisition (SCADA) Equipment, to Schweitzer Engineering Laboratories for an amount not to exceed \$196,145 (requires 6 positive votes)

DEPARTMENT: Electric Utility

SUBMITTED BY: Lucy Podlesny, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

In June 2019, the Electric Utility issued Bid 19-184, Electrical Substation Relay and SCADA Equipment requesting authorized vendors to provide the materials needed to upgrade system protection and SCADA (supervisory control and data acquisition) equipment, which will be installed by Utility staff at various Electric Utility substations.

This equipment will be used to replace outdated mechanical relays that are currently in use on all 12kv and 138kv systems. The new relays are vastly more reliable and offer more flexible operations as well as provide vital information to the control room and engineers which allows staff to analyze the data to prevent future outages.

In addition, the equipment in this bid will also allow the Utility to replace the end-of-life remote terminal units in the substations, which will no longer be supported by the current manufacturer. These remote units are what allow the control room to remotely view and interact with equipment in the field, which is critical for reliability and safety.

DISCUSSION:

| | | | |
|---------------------|------------|---------------------|----|
| Advertisement Date: | 06/07/2019 | Notices Sent: | 83 |
| Opening Date: | 06/25/2019 | Planholders: | 9 |
| | | Proposals Received: | 2 |

Bids were received from the following vendors:

| Vendor Name | Proposed Cost |
|-------------|---------------|
|-------------|---------------|

| | |
|--|---------------------|
| Schweitzer Engineering Laboratories | \$196,145.00 |
| Gexpro | \$210,908.60 |

As part of its bid response, Schweitzer Engineering Laboratories (Schweitzer) included exceptions to the City's term and conditions, which made the vendor non-responsive because terms and conditions cannot be negotiated at the time of a bid opening. The second bidder, Gexpro, did not submit any exceptions to the City's terms and conditions. The difference in the cost of the two bids is 14,636.

Schweitzer requested a change to the published terms by limiting the amount of damages to two times the contract amount. The proposed change was considered by the Utility in consultation with the City's legal department. The Utility concluded that the increase in liability exposure incurred by the proposed change was insignificant and was outweighed by the cost savings.

Approval of the award for Electrical Substation Relay & Supervisory Control and Data Acquisition (SCADA) Equipment requires a Waiver of 1-9B-4 (Methods of Source Selection) of the Naperville Procurement Code because staff is recommending approval of Schweitzer's requested modifications and approval of the non-responsive vendor. Moving forward, the Electric Utility will revise future specifications to limit damages with this particular type of purchase.

The Electric Utility routinely works with Schweitzer Engineering Laboratories and receives timely engineering support as well as expedited processing of any returns for material that has failed in the field.

FISCAL IMPACT:

CIP #:EU47 Relay Improvements

The 2019 budget includes \$425,000 for relay improvements including substation relays and SCADA equipment. The requested award of \$196,145 is within budget.

| Account Number | Fund Description | Total Budget Amount |
|-----------------|------------------|---------------------|
| 40251300-551502 | ELECTRIC UTILITY | \$425,000 |