



Legislation Text

File #: 20-1010, Version: 1

CITY MANAGER AUTHORITY PROCUREMENT AWARDS

ACTION REQUESTED:

Approve the award of Sole Source Procurement 20-310, Schweitzer Engineering Equipment, to Schweitzer Engineering Labs for an amount not to exceed \$312,000 and for a 15-month term

DEPARTMENT: Electric Utility

SUBMITTED BY: Lucille Podlesny, Director

BACKGROUND:

Schweitzer Engineering Labs, Inc. (SEL) designs, manufactures, and supports digital power meters, protective relays and communications equipment for protection of Electric Utility (Utility) substation and distribution assets used in substation applications. One of the many on-going projects is the upgrade of electromechanical relays and meters to digital relays which provide improved protection of Utility equipment and a safer work environment. SEL contracts all material in this region through their distributor A Star Electric.

SEL and A Star Electric believe that all customers and businesses should receive the same pricing. Because of this philosophy, the Utility receives the same direct pricing that A Star Electric and other competitors receive. In the past, the Utility has had difficulty obtaining quotes from competing vendors because doing so would reveal the vendor markup thus causing competitive harm.

In addition to supporting their products through warranty, SEL application engineers also provide engineering support free of charge. Due to the size of the Utility, having subject matter experts in every field is not possible, and as a result, the Utility has looked to SEL for guidance and they have always been able to assist.

DISCUSSION:

This sole source is requested for a 15-month term from date of award to December 31, 2021. This request will be used by the Utility warehouse to stock all relays and meters that are needed by the Utility throughout the term. The Utility has standardized on the equipment from Schweitzer Engineering to facilitate coordination and interconnection of the equipment within a substation and to also ease the maintenance and training requirements on the substation support staff. The equipment that SEL provides carries a 10-year warranty and the company has served the Utility with exemplary performance.

The Electric Utility has identified this purchase as a sole source because SEL is the sole producer of the products needed for the necessary upgrades and repairs. A sole source letter from the manufacturer is attached.

FISCAL IMPACT:

CIP#: EU47

Schweitzer Engineering Equipment is expensed to the Infrastructure account listed below. This is related to EU047, 34 and 138 kV Relay Improvements, of which \$275,000 was budgeted for in 2020. This award, through December 31, 2021, is within the budgeted amount for this expense, and will be budgeted appropriately in 2021.

Account Number	Fund Description	Total Budget Amount
40251300-551502	Electric Utility	\$11,982,000