

Council Communication

October 21, 2014, Business Meeting

Special Procurement for the purchase of Allen-Bradley (brand specific) electrical products and components

FROM

Jason Robustelli, wastewater collections supervisor, jason.robustelli@ashland.or.us
David Gies, wastewater treatment plant supervisor, david.gies@ashland.or.us

SUMMARY

The Wastewater Division of the Public Works Department is seeking an exemption from the competitive bid process to purchase Allen-Bradley products (brand specific) for a term of five (5) years. Purchase of brand specific components will maintain consistency between the complex electrical and automation systems utilized to monitor and maintain the wastewater treatment plant and the five (5) wastewater pump stations. It is possible, however unlikely that the cost for these products, during this five (5) year term could exceed the \$100,000 threshold that requires Council approval

BACKGROUND AND POLICY IMPLICATIONS:

The wastewater pump stations and the treatment plant have complex electrical and automation systems that are in the process of being upgraded. Upgrades and product recommendations have been designed and recommended by Portland Engineering Inc. The existing systems are now a minimum of fifteen years old, and in some cases considerably older than that. Implementation of these upgrades requires using all new Allen-Bradley (brand-specific) electrical products and components. It is critical that these systems are built and maintained using the same brand components to ensure compatibility and reliable performance. Components at the waste water treatment plant currently use Allen-Bradley products and must be able to seamlessly communicate with equipment in the pump stations located at various locations in town. Communication between the pump stations and the treatment plant is critical to ensure correct operation. Without this communication, problems or failures at the pump station would go undetected which could lead to a sewer system overflow. To ensure the accurate and reliable exchange of information, compatibility is critical. Maintaining consistency with equipment between the various locations will maintain this compatibility.

A Special Procurement is used for the purpose of seeking an exemption from the competitive bid process, custom designing a contracting approach, or the direct selection or award of a public contract or for a series of contracts. The completed Special Procurement, Approval Request Form is attached for your review and consideration.

AMC 2.50.090 Exemptions from Formal Competitive Selection Procedures

All Public Contracts shall be based upon Competitive Sealed Bidding (Invitation to Bid) or Competitive Sealed Proposals (Request for Proposal) pursuant to ORS 279A – 279C and the Model Rules except for the following:



G. Special Procurements – a public contract for a class special procurement, a contract specific procurement or both, based upon a contracting procedure that differs from procedures described in ORS 279B.055, 279B.060, 279B.065, 279B.070. The contracting approach may be custom designed to meet the procurement needs.

1. Special procurements shall be awarded in accordance with ORS 279B.085 and all other applicable provisions of law.

FISCAL IMPLICATIONS:

The initial cost to upgrade the five (5) wastewater pump stations is estimated to be \$35,000 and the funds have been budgeted for these upgrades. Additional costs and funding will be dependent upon the need for future replacement and/or repairs.

STAFF RECOMMENDATION AND REQUESTED ACTION:

Staff recommends that the “Class Special Procurement” be approved.

SUGGESTED MOTION:

The Council, acting as the Local Contract Review Board, moves to approve the Class Special Procurement for the purchase of Allen-Bradley (brand specific) electrical products and components.

ATTACHMENTS:

1. Form #9, Special Procurement, Request for Approval and Written Findings
2. Letter provided by Rockwell Automation (manufacturer of Allen-Bradley electrical components) stating that North Coast Electric is currently the only distributor appointed and authorized to sell Allen-Bradley products and services in the Ashland area.



**SPECIAL PROCUREMENT
REQUEST FOR APPROVAL**

To: City Council, Local Contract Review Board
From: *Mike Faught*
Date: 10/2/14
Subject: REQUEST FOR APPROVAL OF A SPECIAL PROCUREMENT

In accordance with ORS279B.085, this request for approval of a Special Procurement is being presented to the City Council for approval. This written request for approval describes the proposed contracting procedure and the goods or services or the class of goods or services to be acquired through the special procurement and the circumstances that justify the use of a special procurement under the standards set forth ORS 279B.085(4).

- 1. **Requesting Department Name:** Wastewater Collection & Wastewater Treatment
- 2. **Department Contact Name:** Jason Robustelli - David Gies
- 3. **Type of Request:** Class Special Procurement Contract-specific Special Procurement
- 4. **Time Period Requested:** From 10/30/2014 To: 10/30/2019
- 5. **Total Estimated Cost:** There is the initial cost of \$35,000.00 for the upgrades to the five wastewater pump stations. Future purchases of Allen Bradley (brand) parts for the wastewater pump stations and wastewater treatment plant will be dependent upon the need for replacement or repair parts.
- 6. **Short title of the Procurement:** Rockwell Automation – Allen Bradley (Brand of electrical Parts)

Supplies and/or Services or class of Supplies and/or Services to be acquired:

Allen Bradley (brand) electrical parts for pump station and treatment plant control upgrades and repairs.

7. Background and Proposed Contracting Procedure: Provide a description of what has been done in the past and the proposed procedure. The Agency may, but is not required to, also include the following types of documents: Notice/Advertising, Solicitation(s), Bid/Proposal Forms(s), Contract Form(s), and any other documents or forms to be used in the proposed contracting procedure. Attach additional sheets as needed.

Background: The wastewater treatment plant and wastewater pump stations have been completely redesigned and upgraded by Portland Engineering Inc. There new electrical design has been executed using all new Allen Bradley (brand) electrical parts at the wastewater treatment plant. PEI has also

designed the five wastewater pump station upgrades with the same Allen Bradley (brand) electrical parts for consistency with the WWTP. PEI was awarded this engineering and design contract for the WWTP and Wastewater Collection Dept. through a competitive bid process.

Proposed procedure:

Allen-Bradley will be purchased from authorized distributors. Currently North Coast Electric Company located in Medford, Oregon is the only distributor appointed and authorized to sell Allen-Bradley products in the Ashland area per the attached letter provided by Rockwell Automation, the manufacture of Allen-Bradley parts.

8. Justification for use of Special Procurement: Describe the circumstances that justify the use of a Special Procurement. Attach relevant documentation.

A wastewater collection system requires dependability and quick recovery from failure. Allen Bradley is a proven reliable industrial electrical and automation component provider with excellent technical support. This product is recommended by Portland Engineering Inc. who is designing our upgrades and will in the future be used to assist with any problem. We are striving for overall consistency with the electrical parts that have already been used in the WWTP upgrades and have been designed into the five pump station upgrades.

9. Findings to Satisfy the Required Standards: This proposed special procurement:

X (a) will be unlikely to encourage favoritism in the awarding of public contracts or to substantially diminish competition for public contracts because:

Currently North Coast Electric Company located in Medford, Oregon is the only distributor appointed and authorized to sell Allen- Bradley products in the Ashland area per the attached letter provided by Rockwell Automation, the manufacture of Allen-Bradley parts.

(Please provide specific information that demonstrates how the proposed Special Procurement meets this requirement.); **and**

_____ (b)(i) will result in substantial cost savings to the contracting agency or to the public because:

(Please provide the total estimate cost savings to be gained and the rationale for determining the cost savings); **or**

X (b)(ii) will otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with the requirements of ORS 279B.055, 279B.060, 279B.065, or 279B.070, or any rules adopted thereunder because:

It is in the City's best interest to have the entire wastewater treatment plant and five pump stations using the same Allen Bradley brand of electrical parts and controllers it gives us flexibility. It gives us the ability to interchange parts and controllers quickly in an emergency situation. Troubleshooting will be easier and that will create less down time and less potential for wastewater overflows. Using same brand electrical parts throughout system allows us to integrate them cleanly and securely.

(Please provide specific information that demonstrates how the proposed Special Procurement meets this requirement.)

Public Notice:

Pursuant to ORS 279B.085(5) and OAR 137-047-0285(2), a Contracting Agency shall give public notice of the Contract Review Authority's approval of a Special Procurement in the same manner as a public notice of competitive sealed Bids under ORS 279B.055(4) and OAR 137-047-0300. The public notice shall describe the Goods or Services or class of Goods or Services to be acquired through the Special Procurement and shall give such public notice of the approval of a Special Procurement at least seven (7) Days before Award of the Contract.

After the Special Procurement has been approved by the City Council, the following public notice will be posted on the City's website to allow for the seven (7) day protest period.

Date Public Notice first appeared on www.ashland.or.us - *[October 22, 2014, if approved by Council]*

PUBLIC NOTICE
Approval of a Special Procurement

First date of publication: *[October 22, 2014, if approved by Council]*

A request for approval of a Special Procurement was presented to and approved by the City Council, acting as the Local Contract Review Board, on *[October 21, 2014, if approved by Council]*.

This Class Special Procurement will allow the Wastewater Division to purchase Allen-Bradley (brand specific) electrical components and products as needed to maintain the complex electrical and automation systems utilized to monitor and maintain the wastewater treatment plant and the five (5) wastewater pump stations. It is critical that these systems are maintained using the same brand components to ensure compatibility and reliable performance.

It has been determined based on written findings that the Special Procurement will be unlikely to encourage favoritism in the awarding of public contracts or to substantially diminish competition for public contracts, and result in substantial cost savings or substantially promote the public interest in a manner that could not be realized by complying with the requirements that are applicable in ORS 279B.055, 279B.060, 279B.065, or 279B.070.

An affected person may protest the request for approval of a Special Procurement in accordance with ORS 279B.400 and OAR 137-047-0300. A written protest shall be delivered to the following address: City of Ashland, Kari Olson, Purchasing Representative, 90 N. Mountain, Ashland, OR 97520. The seven (7) protest period will expire at 5:00pm on *[October 29, 2014, if posted October 22, 2014]*

This public notice is being published on the City's Internet World Wide Web site at least seven days prior to the award of a public contract resulting from this request for approval of a Special Procurement.

October 1st, 2014

Jason Robustelli
City of Ashland, OR
90 N.Mountain
Ashland, OR 97520

Re: North Coast Electric – Rockwell Authorization

Dear Jason

This is to confirm that North Coast Electric currently is the only distributor appointed and authorized to sell Allen-Bradley Standard Controls, Drives, PLC/MMI, Rockwell Software products and all services offerings in the geographic area in which The City of Ashland resides. As a matter of Company policy, full factory product and sales support is made available only to the local authorized distributor, and it is Rockwell Automation's practice and policy to always promote and recommend the use of that distributor to customers in that geographic area. Rockwell Automation discourages the use of other non-authorized sources, including distributors who may hold an Allen-Bradley appointment in another locale.

Should you have any questions regarding the above, please do not hesitate to contact either North Coast Electric, Inc. at (425-280-4680) or myself.

Very truly yours,

Jason Davis

Jason Davis
Channel Manager
425.280.4680

cc: