

Document of Award Decision for Contract 8936

Series Capacitors for Eastern Washington Reinforcement Project

Series Capacitor Banks at Columbia (Douglas County, WA), Schultz (Kittitas County, WA), Bell (Spokane County, WA), Garrison (Powell County, MT) and Dworshak (Clearwater County, ID)

This document serves as the Document of Award Decision (DAD) for this contract, pursuant to the Bonneville Purchasing Instructions, Part 12, Paragraph 8.2.

Purpose of Procurement:

This is a competitively negotiated solicitation for the purchase of Series Capacitor Banks at five locations within the BPA system.

Market Survey:

All offerors considered for this purchase were prequalified to ensure they met Bonneville's minimum requirements. The three (3) sources were considered adequate competition for this project.

ABB Inc.
GE Industrial & Power Systems Sales
Siemens Power T&D

(See Tab 3, Market Research)

Background:

On November 6, 2001, preliminary bidders information was issued to all three bidders. On November 16, 2001, the RFO was issued. The due date for receipt of offers was January 25, 2002. The RFO package consisted of the following:

Attachment 1, Instructions and Evaluation Process
Attachment 2, Representations and Certifications
Attachment 3, Draft Contract
Signature page (Request for Offer and Award, BPA form 4220.36e)
Unit 1 Schedule
Unit 2 Contract Clauses
Unit 3 Wage Determination
Unit 4 Technical Specification, which were transmitted earlier via a letter dated November 6, 2001

The following revisions were issued and the offer due date was extended to February 19, 2002:

Revision 1 December 13, 2001
Revision 2 December 20, 2001
Revision 3 January 30, 2002
Revision 4 February 11, 2002

On February 18, 2002, proposals were received from ABB, GE, Siemens and were distributed among the evaluation team members: Jackie Taylor, Hamid Habibi, Ed Olavarria, Gerald Lee, Dan Goldsworthy, Scott Barndt.

Evaluation of Offers:

The evaluation team reviewed the technical proposals. See Tab 6B, for Evaluation Team Notes including Strengths, Weaknesses and numerical scores given to each offeror.

The summary of results is as follows:

Contractor	Technical Score	Overall Score	Total for Option 1
Redaction			

The evaluation process identified GE as the most promising proposal. As such, on March 5, 2002, Mr. Frank Watkins of GE was given a list of technical clarifications that BPA had requested, and they were asked to come to Vancouver, WA, to meet with BPA's team to go over the technical clarifications. GE submitted their response to BPA's request for technical clarifications on March 8, 2002 and traveled to BPA for face-to-face discussions that took place on March 12, 13 and 14, 2002.

Discussions/Negotiations:

BPA meet with the GE and Power Engineers Team on March 12-14th, to go over the technical clarifications that were submitted prior. On the afternoon of March 13th GE was given a list of items that BPA requested additional pricing on. On March 14th, Hamid Habibi and Jackie Taylor met with [Redaction] and [Redaction] from GE to receive the prices for the additional items of work that were requested. The BPA team met later in the day to go over the additional pricing items and decided which options would be pursued. Due to the options BPA chose to employ, the price was reduced from the initial base bid. Jackie Taylor negotiated the final pricing items with [Redaction] on March 19, 2002 (see binder titled Technical Clarifications and Negotiation Notes). Meeting minutes of conversations/discussions and the list of participants are included in (attachment #1) to this document.

Business Review:

A risk assessment was completed by Erik Westman (attachment #2), which concluded that risk exposures, risk controls and mitigation features of the draft contract sufficient for the exposures we will face with these projects.

A credit assessment was completed by Kevin Farleigh (attachment #3), which concluded that GE/Power Engineers met the basic credit requirements for transacting business with BPA.

A legal review was completed by Ernie with minor comments as noted in (attachment #4).

Subcontracting Opportunities:

The nature of this contract does offer subcontracting possibilities with small businesses or small disadvantaged businesses. The GE/Power Consortium subcontracting plan will be incorporated into this contract.

Organizational Conflicts of Interest:

This procurement was not for evaluation services, management services or R&D. No conflict of interest information was required from the contractor. There is not indication that a conflict of interest exists between BPA and GE/Power Engineers.

Conclusion:

The price, as negotiated, is considered fair and reasonable in comparison to the other offers received and therefore it is considered the best by for BPA.

On February 20, 2002, the availability of funds was confirmed. (See work orders under Tab 2)

On March 25, 2002, the Congressional Affairs Notification was faxed (See Tab 6.D.)

On March 27, 2002, award will be made to GE-Power Engineers Consortium, in the amount of \$41,770,317.00

Prepared by: Hamid Habibi
Hamid Habibi, Contracting Officer Rep.

Date: 3/25/02

Concur: Jackie Long
Jackie Long, Contracting Officer

Date: 3/25/02

Meeting Minutes BPA and GE for March 12 -14, 2002

On March 12 and 13, 2002 BPA met with GE for the purpose of reviewing GE's answers to BPA's request for clarification.

March 12, 2002:

- The meeting began with opening remarks, introductions and a project description from Ed Olavarria.
- [REDACTED] presented GE's view of how they can benefit the project. Emphasis was made to GE's strong relationship with [REDACTED] and GE's track record over the past ten years.
- [REDACTED] followed with an overview of GE's product development.

March 13, 2002:

- Ed Olavarria opened with introductions and comments regarding the project status and funding.
- [REDACTED] gave a presentation regarding MOV manufacture. [REDACTED]



Attendees 3/12/02:

Name	Company Name	Title	Phone
[REDACTED]			
Jackie Taylor	BPA	CO	360-619-6819
Hamid Habibi	BPA	COR	360-618-6767
Denise Ziegler	BPA	Procurement Spec. / AA	360-619-6825
Ed Olavarria	BPA	Project Manager	360-619-6186
Scott L. Barndt	BPA	SPC DE	208-746-2357
Gerald Lee	BPA	COTR	360-618-6697
Dan Goldsworthy	BPA	Tech Adv.	360-418-2632

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[REDACTED]			

Clarifications

REDACTION

ATTACHMENT 3

REDACTION

ATTACHMENT 4

REDACTION