



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item:	Consider resolution awarding contract to Shermco Industries for the Peyton Street Substation Preventive Maintenance.		
Presenter & Title:	Aaron Holton, Manager Electric Operations		
Date:	October 21, 2019		
Please Check Appropriate Box:			
<input checked="" type="checkbox"/>	Committee of the Whole Meeting		Special Committee of the Whole Meeting
<input checked="" type="checkbox"/>	City Council Meeting		Special City Council Meeting
<input type="checkbox"/>	Public Hearing		Other -
Associated Strategic Plan Goal/Objective: EMS - II			
Estimated Cost: \$32,994.00	Budgeted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Other Funding? <input type="checkbox"/> Yes <input type="checkbox"/> No	
<i>If "Other Funding," please explain how the item will be funded:</i>			
Executive Summary:			
<p>Electric Division Staff is undertaking a preventive maintenance program for the City of Geneva's substations. The goal is to maintain the Division's high reliability and attain data for staff to make capital planning and maintenance decisions.</p> <p>During routine oil testing, the voltage control devise, known as a Load Tap Changer or LTC, on the Peyton St. substation transformer returned abnormally high contaminant results. Due to this, staff decided to perform LTC repair at the same time as the preventive maintenance work.</p> <p>The requested work was quoted through the National Purchasing Cooperative Alliance in an amount of \$32,994.00 under the Shermco Industries contract.</p>			
Attachments: (please list)			
<ul style="list-style-type: none"> • Resolution • Memo from Superintendent Wright • NCPA Proposal from Shermco Industries 			
Voting Requirements:			
<p><i>This motion requires <u>6</u> affirmative votes for passage.</i></p> <p><i>The Mayor may vote on three occasions: (a) when the vote of the aldermen or trustees has resulted in a tie; (b) when one half of the aldermen or trustees elected have voted in favor of an ordinance, resolution, or motion even though there is no tie votes; or (c) when a vote greater than a majority of the corporate authorities is required by state statute or local ordinance to adopt an ordinance, resolution, or motion.</i></p>			
Recommendation / Suggested Action: (how item should be listed on agenda)			
Consider approval of Resolution No. 2019-xx Authorizing Execution of contract with ShermCo Industries in the amount of \$32,994.00 for Peyton Street Substation Preventive Maintenance.			

RESOLUTION NO. 2019-; 6

**RESOLUTION AUTHORIZING EXECUTION OF
Peyton Street Substation PM Contract with Shermco Industries**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GENEVA, KANE COUNTY, ILLINOIS, as follows:

SECTION 1: That the City Administrator is hereby authorized to execute, on behalf of the City of Geneva, Peyton Street Substation PM Contract with Shermco Industries, in the form attached hereto.

SECTION 2: This Resolution shall become effective from and after its passage as in accordance with law.

PASSED by the City Council of the City of Geneva, Kane County, Illinois, this 4th day of November, 2019

AYES: __ NAYS: __ ABSENT: __ ABSTAINING: __ HOLDING OFFICE: __

Approved by me this 4th day of November, 2019.

Mayor

ATTEST:

City Clerk



**PUBLIC WORKS DEPARTMENT
MEMORANDUM**

October 24, 2019

Memo To: Mayor Burns, Committee of the Whole

From: Aaron Holton, Manager of Electric Operations

Re: Recommendation for Peyton Street Substation Preventive Maintenance.

Electric Division Staff is undertaking a preventive maintenance program for the City of Geneva's substations. The purpose of this program is to reduce the likelihood of sustained outages due to equipment failure and gain a baseline of the health of the power transformers. This data will be used for eventual equipment replacement, capital planning and future maintenance needs.

Annual transformer oil analysis is performed on each transformer and Load Tap Changer (LTC). This year, the oil analysis on the Peyton Street Substation LTC showed abnormally high contaminants. In the past this has been an indication that the contacts on the LTC are suffering from erosion. Due to this finding, staff determined that it would be beneficial to perform the 5 year maintenance cycle on the substation while the substation is out of service for the LTC repair.

Shermco Industries has been contracted in the past for substation maintenance and their performance has been acceptable. Shermco has been awarded a contract for substation maintenance and repair work through the National Cooperative Purchasing Alliance. Contracts through the NCPA are awarded after publicly advertised sealed bids are received and evaluated for qualifications and lowest cost. As such, the City of Geneva can take advantage of lowest bid pricing without the expense and time of public bidding. The repair and maintenance proposal from Shermco was for a total of \$32,994.00

Staff Recommendation:

It is the staff's recommendation to Shermco Industries the contract for Peyton Street Substation Preventive Maintenance in the amount of \$32,994.00.



Chicago Service Center
112 Industrial Drive, Minooka, IL 60447
Phone (815) 467-5577

This Proposal has been prepared specifically for:

City of Geneva - Payton Street Station PM



Approved by:
Jon Nelson

Shermco Quote Number:
SIQ-11879-19R2

October 15, 2019



One Line. One Company.

October 15, 2019



Re: City of Geneva - Payton Street Station PM
Shermco Quote # SIQ-11879-19R2

Shermco Industries is pleased to provide the following quotation:

Table with 2 columns: Item description and Price. Includes 'Testing' for \$17,804.00 and 'LTC Repair (Customer Supplied Parts)' for \$15,190.00.

Applicable taxes and credit card processing fees are not included, terms net 30 days. All sales subject to Shermco Industries terms and conditions form SI-100995. All freight will be prepaid and added to the invoice.

EQUIPMENT

- Qty. 1 ea. 20MVA Transformer
Qty. 1 ea. Load Tap Changer (LTC)
Qty. 4 ea. 12kV MV Vacuum Circuit Breakers
Qty. 1 ea. MV SF6 Circuit Switcher
Qty. 4 ea. SEL751 Feeder Relays
Qty. 1 ea. Battery bank
Qty. 1 ea. SEL587 Current Differential Relay

WORKSCOPE

Shermco will provide NETA certified technicians to clean, inspect and test the above listed equipment. All testing will be performed in reference to the ANSI/NETA MTS-2019 Standard for Maintenance Testing Specifications for Electrical Power Equipment and Systems. The work scope includes the following NETA specifications:

- 7.2.2 Transformers, Liquid-Filled
7.6.1.3 Circuit Breakers, Air, Medium-Voltage
7.7 Circuit Switchers
7.9.1-2 Protective Relays, Electromechanical, Solid-State and Microprocessor-Based
7.18.1.1-3 Direct-Current Systems, Batteries
7.18.2 Direct-Current Systems, Chargers

*NOTE: Optional testing is not included in the pricing listed above.

WORKSCOPE – Transformer Load Tap Changer (LTC)

Shermco will provide NETA certified technicians to drain 370 gallons from the LTC, replace parts as the need requires. Repair parts are supplied by customer. Once the LTC has been completed, oil filtered as returned, the LTC can be tested.

SCHEDULE

Shermco will provide the services listed above based on the following schedule:

Pricing is based upon Shermco working 12 hours per day, Monday thru Friday (1 day)

The start date is to be determined; work will be confirmed and scheduled upon the receipt of a purchase order. Please give at least two weeks' notice for scheduling purposes.

Note: This proposal is based on an estimated straight time mobilization(s) to the work site. Additional or changes to the mobilization(s) are subject to additional billing.

Monday through Friday 7:00 AM until 4:00 PM will be billed at a straight time (ST) rate.

Monday through Friday before 7:00 AM or after 4:00 PM will be billed at an overtime (OT) rate.

Saturday and after eight consecutive ST hours worked will be billed at an OT rate.

Sunday and after twelve consecutive hours worked will be billed at a premium time (PT) rate.

REPORT

Upon completion of the above listed work scope you will receive one (1) electronic copy of the report, prepared within thirty (30) working days. The report will include conditions and test data, with a summary of recommendations for future maintenance, replacement of components or replacement of apparatus.

GENERAL CONDITIONS

Work performed by Shermco Industries will be in accordance with the following:

1. The customer's electrician or engineer, familiar with the distribution system, is to be available during the testing and commissioning period.
2. The customer shall provide an auxiliary source of 120 volts, 60 hertz, single-phase power for lights, vacuum cleaners, small power tools and test equipment unless other agreements are made.
3. The customer is responsible for providing Shermco with all facility one-line drawings/ diagrams, control schematics, and equipment drawings.
4. It is recommended that the customer provides an up-to-date protective device coordination study report including a device settings table, prior to Shermco starting to perform onsite testing. Otherwise all protective devices including but not limited to the following: protective relays, low voltage circuit breakers, ground fault protection devices, etc. will be tested and left at the "as found" settings.
5. Switching of electrical equipment is the responsibility of the customer. Any utility service-disconnect or reconnect is to be scheduled by the customer so that the electrical equipment is available without delay.
6. The "line side" or entire service entrance of the electrical equipment must be de-energized and available for testing before any system performance testing can be performed.
7. Site specific training is not included in the price.
8. Cancellations, which may include weather related issues, will be assessed with a mobilization and/or project management/completion charge based on expenses incurred.
9. Delays due to circumstances beyond the control of the Shermco service personnel will be subject to additional billing at established rates. This includes stand-time for switching, power-up operations & equipment clearances and permitting.

10. This quotation is effective for 30 days from quotation date, unless otherwise authorized by Shermco Industries.
11. All permits required will be the responsibility of the customer.

Thank you for this opportunity to be of service. Should you have any questions please do not hesitate to give me a call.

Respectfully Submitted
Shermco Industries, Inc.

Jon Nelson

Engineering Services Division
jnelson@shermco.com
(815) 409-5100

Copy: Robin Sparks – Sales Operations Specialist, ESD

ATTACHMENT A

CERTIFICATION OF COMPLIANCE

The undersigned hereby certifies as follows:

1. That he has the authority and consent to make this certification on behalf of the bidder,
SHERMCO INDUSTRIES, INC.
(Name of Company)
2. That he has knowledge of the City of Geneva Codes pertaining to the disqualification of certain bidders.
3. That he knows that the bidder listed above is not disqualified from bidding under the aforementioned sections.
4. That he has knowledge of the City of Geneva ordinances relating to Fair Employment Practices and knows and understands the contents thereof; he certifies hereby that it is the policy of the bidder to recruit, hire, train, upgrade, promote, and discipline its employees without regard to race, creed, color, religion, age, sex, or physical or mental impairment.
5. That said bidder is not barred from bidding on the aforementioned contract as a result of a violation of Sections 33E-3 or 33E-4 of Chapter 38 of the Illinois Revised Statutes.
6. That pursuant to Chapter 24, Section 11-42.1-1 of the Illinois Revised Statutes, the bidder is not delinquent in the payment of any taxes administered by the Department of Revenue.
7. That the contractor (either as an individual or company) agrees to provide a drug free workplace as provided for by the Public Act 86-1459.
8. That all work under this contract shall comply with the Occupational Safety and Health Act (OSHA) of 1975, and all other Federal, State, or Local statutes, rules, or regulations including all City of Geneva Safety Procedures affecting the work done under the contract.
9. That all work done in Kane County, Illinois under this contract shall comply with the Prevailing Wage Rate Act of the State of Illinois, County of Kane, Illinois Revised Statutes, Chapter 48, par 39s-1, et. seq. and as amended by Public Acts 86-799 and 86-693, in effect at the time work is performed.

ATTACHMENT A (continued)

By submission of this bid, I certify that the bid has been arrived at independently and has been submitted without collusion between or among any vendor of materials, supplies, equipment, or services.

SHERMCO INDUSTRIES, INC.
Name of Corporation, Partnership, or Proprietor

2425 E PIONEER DR
Address

IRVING TX 75061
City State Zip

(972) 793.5523
Telephone

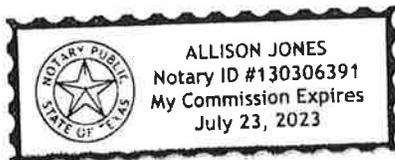
M A H Self Corporate Attorney
Authorized Signature/Title

SUBSCRIBED AND SWORN to before me

this 16th day of October, 2019.

Allison Jones
Notary Public

My commission expires: 7-23-23





CONTRACT:

- 1) THIS AGREEMENT, made and concluded the 4th day of NOVEMBER, 2019 between the CITY of GENEVA, ILLINOIS acting by and through its MAYOR and CITY COUNCIL known as the party of the first part, and SHERMCO INDUSTRIES. acting by and through his/there executors, administrators, successors or assigns, known as the party of the second part.
- 2) In consideration of the payments and agreements mentioned in the Proposal hereto attached, to be made and performed by the party of the first part, and according to the terms expressed in the Bond referring to these presents, the party of the second part agrees with party of the first part at his/their own proper cost and expense to do all the work, furnish all materials and all labor necessary to complete the work in a workman like manner and in accordance with the plans and specifications, and in full compliance with all the terms of this agreement.
- 3) It is also understood and agreed that the Plans, Instructions, Special Provisions, Proposal, Schedule of Prices, and Contract Bond, Affidavits and Certifications and Addendum hereto attached for the PEYTON STREET SUBSTATION PM in the CITY of GENEVA, ILLINOIS, are essential documents to this contract and are a part hereof.
- 4) IN WITNESS WHEREOF, The above parties have executed these present on the date above.

Attest:

The City of GENEVA, ILLINOIS

_____ Clerk

by _____

CITY ADMINISTRATOR

(Seal)

Attest:

Corporation Name: SHERMCO INDUSTRIES.

_____ Secretary

President

Party of the Second Part

(Seal)