

NOTICE OF DETERMINATION for EMERGENCY PROCUREMENT

4/4/19

The City is making the determination to proceed with this purchase as an Emergency Procurement as defined in (Section 1.4.1.58-64) of the New Mexico State Procurement Code.

1.4.1.59 DEFINITION OF EMERGENCY CONDITIONS: An emergency condition is a situation which creates a threat to public health, welfare, safety or property such as may arise by reason of floods, epidemics, riots, equipment failures or similar events. The existence of the emergency condition creates an immediate and serious need for services, construction or items of tangible personal property that cannot be met through normal procurement methods and the lack of which would seriously threaten:

- A. the functioning of government;**
- B. the preservation or protection of property; or
- C. the health or safety of any person.**

The CPO opinion is that the emergency procurement is justified by meeting both condition A and C of Section 1.4.1.59.

Description of Emergency Condition(s): The VFD or (Variable Frequency Drive) needed to operate Water Well #6 has failed and needs to be replaced. Well #6 produces approximately 40 – 50% of the City's total water supply. Having this well down even for a short period of time, will significantly impact the City's ability to provide all the water necessary to meet the needs of our citizens. The matter is more urgent due to the fact that we are now entering the time of year where the water demands of the City significantly increase in early spring and heading into the summer when the demand for water is at its peak.

Eaton Corporation is the manufacturer of the VFD used on Well #6. If time allowed, the procurement would be made by a sole source determination. Eaton is the only company that can install and provide maintenance and repair work on this equipment. However, the 30 day posting requirement for approval of a sole source cannot be honored due to the urgency of the situation and the impact on the City's water supply.

Therefore, the City is electing to proceed with replacing and installing the new VFD as an emergency procurement under the following conditions:

- A. The City is the sole provider of water for the citizens of Carlsbad. Failure to provide water as a public utility provider would affect the government's ability to function in its duty to the citizens.**
- C. The citizens of Carlsbad require water for public health and welfare.**

The City has posted a sole source determination notice for Eaton Corporation, which will address any future needs for services to be performed by this vendor.

Purchase Amount \$ 59,556

PO # 191312

A handwritten signature in black ink, appearing to read 'M Fletcher', is written over a horizontal line.

Matthew Fletcher, CPO

Purchasing Manager

City of Carlsbad

Date: 4/4/19

CITY OF CARLSBAD

SOLE SOURCE AND EMERGENCY PROCUREMENT REQUEST AND DETERMINATION FORM

A sole source *determination* is not effective until the *sole source request for determination* has been posted for thirty (30) calendar days without challenge, and subsequently approved in writing by the Purchasing Manager. *A purchase order will not be issued and orders may not be placed until the sole source determination as been posted for a minimum of 15 days.*

I. Name of Company: Eaton Date: 4-04-19

Please Check One: New Sole Source ☒ Renewal of Existing Sole Source ☐

Please Check One: ☐ Product ☐ Services ☒ Product and Services

Type of Sole Source Requested: *(Please check the one that best describes the type of Sole Source you are requesting)*

☐ **Company Sole Source** (Only one company can provide the goods or services)

☐ **Brand Name Sole Source** (Only this brand will serve the intended purpose or function with existing equipment or systems, including software)

☐ **Unique Professional Services** (Only one company or individual can provide this service due to the creative nature of the service or custom delivery of goods or services that are unique and subject to custom design and/or fabrication.

****Please note- True Professional Services under \$60,000 in value are considered a small purchase and does not require a sole source determination.**

☐ **Proprietary Sole Source** (Only this company provides this product or service and only this company can provide after sale maintenance, repairs or service agreements)

☐ **Local Sole Source** (Only one company exists to provide this product or service locally and due to the nature of the purchase, it is not feasible or reasonable to obtain the product or service from non-local sources. Only one local vendor is able to respond to the need in a timely manner due to local proximity)

Amount of Purchase \$ _____

II. ✓ Emergency Procurement Request

DEFINITION OF EMERGENCY CONDITIONS:

An emergency condition is a situation which creates a threat to public health, welfare, safety or property such as may arise by reason of floods, epidemics, riots, equipment failures or similar events. The existence of the emergency condition creates an immediate and serious need for services, construction or items of tangible personal property that cannot be met through normal procurement methods and the lack of which would seriously threaten:

- A. the functioning of government;
B. the preservation or protection of property; or
C. the health or safety of any person.

Please provide a detailed explanation for why the purchase required meets the above definition of an Emergency Condition.

Well 6 is down as we head into the high demand time of the year for water. Well 6 is our primary well that produces between 40 - 50 percent of the City's water.

**** The Emergency Determination will only be in effect as long as needed to alleviate the emergency conditions. Once the emergency condition has passed, regular procurement methods and procedures must be followed.**

Amount of purchase: \$ 60,000

Sole Source Determination

- III. Provide a detailed, sufficient explanation of the reasons, qualifications, proprietary rights or unique capabilities of the prospective contractor that makes the prospective contractor ***the one source*** capable of providing the required professional service, service, construction or item(s) of tangible personal property. (Please do not state the source is the “best” source or the “least costly” source. Those factors do not justify a “sole source.”)

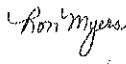
- IV. Provide a detailed, sufficient explanation of how the professional service, service, construction or item(s) of tangible personal property is/are ***unique and how this uniqueness is substantially related to the intended purpose of the contract.***

- V. Explain why other similar professional services, services, construction or item(s) of tangible personal property *cannot* meet the intended purpose of the contract.

- VI. Provide a narrative of the due diligence used in determining the basis for the procurement, including a review of available sources and include Include a list of businesses contacted (*do not state that no other businesses were contacted*), date of contact, method of contact (telephone, mail, e-mail, other), and documentation demonstrating an explanation of why those businesses could not or would not, under any circumstances, provide the goods or services; or an explanation of why the department has determined that no businesses other than the prospective contractor can provide the goods or services requested.

Certified by:

Date: 04.04.19


Digitally signed by Ron Myers
DN: cn=Ron Myers, o=City of
Carlsbad, ou=Water
Department,
email=rmeyers@cityofcarlsbad
ca.gov, c=US
Date: 2019.04.04 11:43:12
+05'00'

Department Director

APPROVED:

Date: 4-4-19



Chief Procurement Officer

Authority to Proceed

- 1) the signature of the CPO on this form certifies the sole source has been posted for thirty (30) calendar days and has received no challenges;
- 2) the sole source is granted as of the date of signature by the State Purchasing Agent; and
- 3) the signature of the CPO on this form is the final signature required for this sole source procurement.

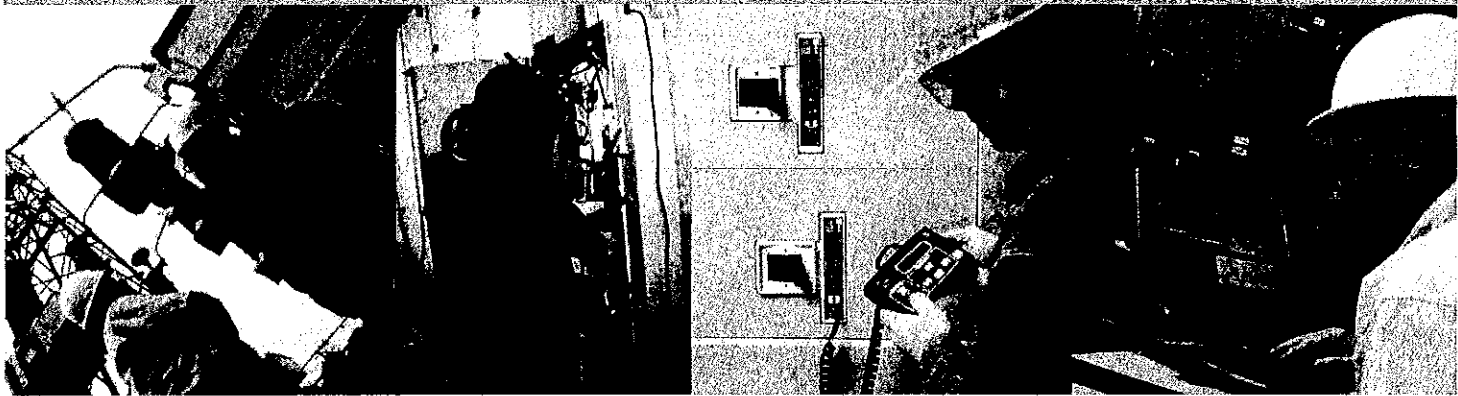
Response to Request for Proposal

City of Carlsbad, NM

City of Carlsbad, VFD Replacement

Eaton Proposal Number ELK1-190329-01-CS-R1

April 4, 2019



Presented By: Eaton Corporation
Electrical Engineering Services & Systems
12305 Mercantile Ave., Suite D
El Paso, TX 79928

Contacts:

Eaton Corporation

Electrical Engineering Service & Systems

Service Sales Representative:

Carlos Santoyo(ELK1)

Phone: (M)915-356-4175

Email: CarlosSantoyo@Eaton.com

Eaton Corporation

Electrical Engineering Service & Systems

Technical Application Support Engineer:

Carlos Santoyo(ELK1)

Phone: 915-356-4175

Email: CarlosSantoyo@eaton.com

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Qualifications

Corporate History and Overview

Eaton's Electrical Engineering Services and Systems is a part of Eaton Corporation and is one of the world's leading suppliers of electrical control products and power distribution equipment. With 2018 sales of \$20.6 billion, Eaton is a global diversified industrial manufacturer of highly engineered products that serve industrial, vehicle, construction, commercial, aerospace and semiconductor markets. Principal products include hydraulic products and fluid connectors, electrical power distribution and control equipment, truck drive train systems, engine components and a wide variety of controls. The company has 96,000 employees and sells equipment in more than 175 countries.



Financial Reports

Eaton Corporation (ETN NYSE) is a publically traded company. Our financial reports can be found at:

<http://www.eaton.com/us/en-us/company/investor-relations/investor-toolkit/financial-reports/2017-annual-report.html>

Eaton's Electrical Engineering Services & Systems

Eaton's Electrical Engineering Services & Systems (EESS) currently maintains 60 active service locations. We have more than 1500 highly trained professionals trained in:

Traditional engineering and advanced analysis offerings

- Short-circuit analysis
- Arc flash analysis
- Protective device coordination
- Load flow analysis / power factor correction study
- Motor starting study
- Harmonic analysis study
- Power quality site surveys and disturbance monitoring
- Substation and ground grid design
- Field harmonic measurements
- Transient stability study
- Protection and control design
- Advanced design and analysis
- Distribution system design
- Switching transient analysis
- Distribution systems reliability analysis
- Dynamic simulation
- Specialized applications
- Training

Automation engineering: advanced and custom applications

- Power monitoring system (EPMS)
- Monitoring solutions: power quality and energy management
- Motor control center systems integration to parent system
- Control systems / power systems automation
- Programmable logic controller (PLC) automatic transfer schemes

Build

- OEM equipment services and upgrades
- Westinghouse/Cutler-Hammer/Eaton/Cooper
- Square D
- General Electric
- ITE/ABB
- Allis-Chalmers/Siemens
- Federal Pacific

Turnkey project and construction management

- Single-point responsibility throughout the entire project
- Centralized project management group
- Standardized documentation practices including scheduling, reporting and project closeout
- Installation services including nationwide-subcontracting capability of all trades with on-site supervision
- Turnkey modular solutions, hydroelectric and synchronous condenser projects

Electrical equipment life extension and modernization

- Class 1 breaker reconditioning LV and MV
- Solid-state LV trip unit retrofits and upgrades
- LV air replacement breakers
- MV vacuum replacement breakers
- LV-VSR (breaker to motor starter replacements)
- MV-VSR
- Upgrade equipment front door metering and relaying
- Horizontal main bus upgrades
- High resistance grounding systems
- RPR-2 remote power racking systems

Support

- Turnkey solutions
- Multi-vendor equipment supply chain
- Supply of the complete range of Eaton products
- Coordination and purchase of all third-party customer preferred components
- Prefabricated control house
- Modular collector substation
- Utility grid management and monitoring systems
- Demand management

Start-up and commissioning

- Acceptance testing and installation certification
- Ground fault certifications
- Interconnect confirmation and commissioning
- Utility integration
- Warranty extension
- Installation support and supervision
- Start-up and training
- Ground grid testing

Preventive and predictive maintenance

- PM program design and implementation
- Periodic testing and PM services
- Thermographic survey
- Troubleshooting/testing
- DC power systems
- Predictive diagnostic / partial discharge
- Transformer oil processing

Maintenance and emergency services

- Complete scope of testing, repair and evaluation
- Short/long-term maintenance contracts
- 24/7 remote monitoring support
- Crisis response personnel dispatch
- Monitoring of relaying, metering, HV, MV and LV equipment and transformers

The average years of experience of our field personnel is ~ 12 to 15 years. Our organization is committed to providing the highest quality services, while providing advanced product-based solutions.

In addition, Eaton's Electrical Engineering Services & Systems has addressed concerns and issues of our customers, with the following programs. These programs will establish a new level of field engineering service quality standards.

- Local audits to ensure personnel and standardized procedures are adhered to. Many industry groups do not or cannot provide such division-wide audits.
- Our Service group is responsible for continuous product improvement; therefore, it is our responsibility to identify any potential product deficiency. We are independent from this standpoint and have a greater motivation to identify problem areas. Our standardized reports and company-wide equipment database tracking system will provide the needed reliability indexes to set base-line performance and efficiently incorporate future predictive maintenance programs.
- All of our personnel are trained, with lead personnel having extensive field service and project management experience. We conduct our own internal personnel reviews, training and evaluations. Our personnel also benefit from factory training, therefore obtaining a clear understanding of the entire assembly process. This can be very beneficial in the field, during start-up, maintenance, commissioning or trouble-shooting. Direct access to factory personnel is also an advantage in the efficient commissioning and start-up of power equipment.

Equipment Bill of Material

- (1) – 650HP VFD to match existing
 - Lead time is approximately one week.
- (3) – Bussman fuses JJS-600
- (1) – Schneider Relay
- (1) – Ice Cube Relay

Scope of Work

Eaton Corporation will provide the necessary field service personnel, tools, materials and approved test equipment to perform the scope of work as described herein.

- Outage of the unit work will completed on will need to have a power outage.
 - All work to be done during one long day, including start-up
- Remove the existing VFD.
- Replace two relays that are damaged.
- Replace 3 fuses
- Install the new VFD and make all connections
- Provide Start-up & Commissioning for the new drive
- Assist customer with the drive coming back on-line to production during the same day.

A comprehensive engineering report including findings, test data, and recommendations will be furnished after completion of work.

Pricing

Pricing for the scope of work described above is as follows:

Item	Description	Price (NET)
001	Field Services per above SOW	\$59,556.00

Price for the above scope of work is based on performing site work on a weekday-day turn. If the work cannot be performed during regular working hours (6am-5pm) or must be performed on weekends or holidays, you must contact us to adjust the price accordingly.

Delivery

The scheduling of work will be mutually agreed upon between the customer and Eaton's Electrical Engineering Services & Systems. Please allow two weeks for scheduling purposes.

Material Shipment: Standard way is L-T-L FOB Factory pre-paid and allowed. FOB Point or Destination is per Eaton Selling Policy 25-000 and is a 2% net adder.

Order Entry

Eaton Corp.
Electrical Engineering Services & Systems

12305 Mercantile Ave. Suite D
El Paso, TX 79928

Remit to Address:
Eaton Corporation
P.O. Box 93531
Chicago, IL 60673-3531

Qualifications / Clarifications

- All work to be completed at straight time, Monday through Friday except for scheduled outages as defined in our proposal.
- No time/labor included for site specific training meetings/classes/videos. If required, additional charges will apply and will be billed separately from this proposal.
- Any significant delays due to adverse weather will result in additional charges.
- If straight time work is required to be performed on an overtime basis, Customer will be billed the difference between the straight time and overtime rate.
- Stand-by power needs, if deemed necessary, are not included.
- Applicable fees for outage related costs, including stand-by and re-connect services, are not included.
- Method of procedure (MOP) development or meeting time not outlined in the scope of work will be treated as an extra.
- Delays beyond the control of Eaton, extras and authorized additional work will be charged in accordance with the Eaton's Electrical Engineering Services & Systems 2018 Price List PL02700001E.
- Delay time: If Eaton arrives onsite to perform scheduled work and the work is cancelled, Eaton will charge for four (4) hours minimum per person, plus travel expenses if no replacement work can be scheduled. If sufficient notice (72 hours) is given to Eaton when canceling scheduled work, no additional charge will apply.

Testing Clarifications:

- All testing will be performed by Eaton's Electrical Engineering Services & Systems (EESS) per Eaton's standard testing guidelines unless otherwise specified. An additional year of warranty shall be provided upon completion of electrical testing by Eaton to all Eaton provided equipment.
- Customer to provide trip unit settings and/or relay logic configuration files for protective devices. Note: Eaton can provide an adder for the required power system studies and input/output logic.
- The isolation of cables for testing will be completed by opening the line and load devices only. No unbolting of cables for isolation has been included.

Safety Training Of Eaton Field Personnel:

- All Eaton field personnel received training to comply with OSHA CFR1910 Electrical Safety Standard, which sets minimum safety rules and practices for the design, operation, and maintenance of high-voltage systems (over 600 volts). Safety standards are in place to meet or exceed NFPA 70E requirements, and appropriate Personal Protective Equipment (PPE) have been issued.
- The customer is responsible to ensure that any supporting plant personnel have also be fully trained in electrical safety and provided with the appropriate personnel protective equipment.

Safety Arc-Flash Provisional Statement:

The customer supplied Arc-Flash study along with their labeled equipment to meet NFPA requirements will be used to determine the Personal Protective Equipment (PPE) required to perform the work required for this proposal. When a current study and labeling is not available, the time required to determine the proper PPE will be at the current rate per hour, unless included within the Eaton scope of work. Eaton will not perform work activities in situations where the proper level of PPE is not practical. At no time will work be performed when the arc-flash exposure levels are above 40 cal/cm².

Division Of Responsibility

Eaton Responsibilities:

- Eaton will provide you with a minimum notice of 72 hours of intent to service any equipment.
- Eaton shall furnish test engineers, field technicians, support personnel, tools, equipment, materials, supplies and transportation as required.
- Eaton will provide and install safety locks and grounding, as required, and in accordance with the facility safety guidelines.
- Eaton will perform voltage test and install necessary circuit / equipment safety grounds to assure safe working conditions
- Upon completion of work:
 - 1) Eaton will remove safety grounds installed by Eaton
 - 2) Eaton will remove safety locks installed by Eaton.

Customer Will Be Responsible For The Following:

- Providing free access to equipment within their facility.
- Ensuring that all equipment is available upon arrival of Eaton personnel, including removal from service to permit continuous progression of work. Delay time in making equipment available will be treated as an extra.
- Identifying site contact for this project.
- Coordinating all outages and perform all switching to de-energize and isolate equipment to be serviced.
- Ensuring that all circuits to be de-energized have been clearly identified and that all plant personnel and downstream operations are aware of the required outage date, time and duration. This includes maintaining power to vital or necessary plant equipment and processes during the performance of this scope of work.
- Supplying a complete set of electrical plans, including the plant single-line diagram, specifications, and any pertinent change orders to Eaton before commencement of work.
- Supply a suitable and stable source of power for operation of test and motorized equipment at each test site when normal power is removed or authorize Eaton to obtain a source of auxiliary power, Eaton shall specify requirements. Any non-standard generators rentals will result in a price adder to this proposal.
- Providing a place to receive and unload replacement equipment, test equipment or other supplies.

Proprietary and Confidential Information

This submittal contains Eaton proprietary and confidential information, which may only be used by the City of Carlsbad, NM to evaluate and respond to this submittal. By accepting this submittal from Eaton, City of Carlsbad, NM agrees to not use this submittal, or any information contained herein, in any manner adverse to Eaton's interests; to keep in confidence the submittal and all information contained; and to not disclose to any third party or publish this submittal, any portion thereof, or any information contained herein without Eaton's prior written consent.

Terms and Conditions

Any order arising out of this offer will be governed by the conditions contained in Eaton Selling Policy 25-000 effective November 1, 2017. Taxes, if applicable, are not included. This offer is valid for 30 days unless otherwise extended, modified or withdrawn, in writing, by Eaton. Payments are due and payable net within thirty (30) days from the date of each invoice.

Requisition Date: 04/04/2019

Account #: 36-0360-80015-000000

Delivery Address: WELL 6

Vendor Name
(1) EATON CORPORATION
(2)
(3)Personal Contact
(1) CARLOS SANTOYO
(2)
(3)Telephone
(1) 915-356-4175
(2)
(3)

Quantity	Unit Of Measure	Description	In Stock	Unit Price (1)	Unit Price (2)	Unit Price (3)	Vendor Selected	Total Price Low Quote
1.00	EA	REPLACE FAILED VFD SHEEP DRAW WELL 6	Y	59556.0000	.0000	.0000	1	59556.00
		TOTAL REQUISITION:		59556.00	.00	.00		59556.00

Written Quotes Attached: YES
Capital Improvement Project: NO
Inventory Form Required: NO
Bid # / Grant #:Vendor Name: EATON CORPORATION 013288
Address : 1000 CHERRINGTON PKWY

City/State : MOON TOWNSHP PA 151080000

Telephone : 915-356-4175

Purpose: REPLACE FAILED VARIABLE FREQUENCY DRIVE Unit/Asset:
FOR SHEEP DRAW WELL 6
WELL 6 IS PRIMARY WELL PRODUCING 40 - 50
% OF CITY'S WATER

Priority: 1 MAIN WATER WELL IS OFFLINE FOR REPAIR

Requisitioned by: RONM

Authorized by : RONM 04/04/2019 11:46 AM

Authorized by : MELISSAS 04/04/2019 12:28 PM

Authorized by : LOWEJ 04/04/2019 12:32 PM

Authorized by : FLETCHER 04/04/2019 12:32 PM

CITY OF CARLSBAD
P.O. BOX 1569
CARLSBAD, NM 88221-1569

PURCHASE ORDER#: 191312
VENDOR NUMBER: 13288
ISSUE DATE: 4/04/19
REQUISITION DATE: 4/04/19
REQUISITION # 10036172
REQ. BY RONM/MELISSAS/LOWEJ

EATON CORPORATION
1000 CHERRINGTON PKWY
MOON TOWNSHP PA 151080000

QTY.	UNIT	DESCRIPTION	INVOICE NUMBER	UNIT PRICE	ENCUMBER	AMT
1.00	EA	REPLACE FAILED VFD SHEEP DRAW WELL 6				
		36-0360-80015-000000		59556.0000	59556.00	

					59556.00	

REPLACE FAILED VARIABLE FREQUENCY DRIVE
FOR SHEEP DRAW WELL 6
WELL 6 IS PRIMARY WELL PRODUCING 40 - 50
% OF CITY'S WATER

PROCESSED BY PURCHASING
BY FLETCHER
DATE _____
13:39:57 04/04/19

MICHAEL A. HERNANDEZ
PURCHASING AGENT