

## Division of Water - Cleveland Public Power - Water Pollution Control

## Request for Legislation

**Authorizing the purchase, by one or more requirement contracts, propane and off-road diesel fuel and supporting services, for the various divisions of the Department of Public Utilities (DPU), for a term of two years.**

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**Background/Purpose:**

DPU has numerous facilities, including water treatment plants, pump stations, sewage lift stations, electrical sub-stations and office buildings, each of which has a variety of backup power equipment, including turbine generators, diesel electric generators, diesel drives for water pumps, and propane generators. DPU needs backup power to meet its mission in cases when power becomes unavailable on the electrical grid. This equipment uses diesel or propane fuel that is delivered to the various locations the equipment is located. Most sites can store about two days' worth of fuel.

This equipment can also be used for power sharing when the electric grid is experiencing stressful peak loads. Previously Cleveland Water was able to enter into Demand Response Contracts, in which it was paid hundreds of thousands of dollars a year by electric power providers to drop load off the grid and run instead on its generators. Cleveland has had to retrofit its generators to meet new environmental requirements, and intends to enter into Demand Response contracts again.

**Scope:**

The scope of this contract(s) includes transport truck deliveries, truck wagon deliveries, emergency delivery, and propane tanks with delivery, tank rental, services and miscellaneous fees.

**Justification/Urgency:**

The operation and integrity of our backup power generators are critical to the mission of DPU for the population of the City and neighboring communities. If proper fuel is not provided these backup power systems will not be able to provide these services.

**Anticipated Costs and funding source:**

This requirement contract(s) is estimated to cost \$2,000,000.00 over its life. Operating funds will be used. The funding sources will be DPU's operating budgets of CWD, CPP & WPC. The projected estimates for each of the two years are as follows:

<u>Division</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Total</u>
Division of Water	\$720,000.00	\$720,000.00	\$1,440,000.00
Water Pollution Control	\$ 100,000.00	\$100,000.00	\$ 200,000.00
Cleveland Public Power	\$ 180,000.00	\$180,000.00	\$ 360,000.00
Total	\$1,000,000.00	\$1,000,000.00	\$2, 000,000.00

**Schedule or Term of Contract:**

Legislation will lead to requirement contract(s) for the term of two years.

**Current Contract:**

<b>Vendor Company Name</b>	<b>Vendor Address/Contact</b>	<b>Services/Worked Performed under contract</b>	<b>Contract Info</b>
Cuyahoga Landmark Inc.	21079 Westwood Strongsville, Ohio 44149 Jeff Smith	Provide off-road diesel fuel and propane gas with storage tanks.	Contract #: 2020-37 Awarded Amt: \$385,416.00 Contract Exp Date: 07/13/2022

**CSB Participation on the Current Contracts:****Goals: 0 %; Actual CSB Participation: 0 %****If there is no CSB participation, explain why here:**

This is a requirement contract for the purchase and delivery of diesel fuel and propane gas for backup generators, where there are no opportunities for subcontracting.

**Vendors on the ITB Mailing List that Led to the Current Contracts(s):**

See attached mailing lists.

**Previous Contracts:**

<b>Vendor Company Name</b>	<b>Vendor Address</b>	<b>Vendor Contact</b>	<b>Contract Info</b>	<b>CSB Participation (OEO Actual %'s)</b>
O. E. Meyer Company	3303 Tiffin Ave. Sandusky, Ohio 44870	David Spencer	Contract #: 2018-069 Awarded Amt: Group 2 \$21,040.00 Contract Exp Date: 05/22/2020	0%
Universal Oil	265 Jefferson Ave. Cleveland, Ohio 44113	Ken Beachy	Contract #: 2018-067 Awarded Amt: Group1 \$470,360.00 Contract Exp Date: 05/23/2020	0%
O. E. Meyer Company	4894 NEO Parkway Garfield Hts., Ohio 44128	Mike Roach	Contract #: 2015-43 Awarded Amt: Group 2 \$29,640.00 Contract Exp Date: 04/26/2018	0%
Universal Oil	265 Jefferson Ave. Cleveland, Ohio 44113	Edward McGowan	Contract #: 2015-39 Awarded Amt: Group1 \$424,949.00 Contract Exp Date: 04/19/2018	0%