City of Cleveland Memorandum

Justin M. Bibb, Mayor

Department of Public Utilities

DATE:

November 1, 2022

TO:

Justin M. Bibb, Mayor

Blaine Griffin, Council President

Ahmed Abonamah, Director of Finance

FROM:

Tiffany Johnson, Commissioner

Division of Purchases and Supplies

SUBJECT: Emerg

Emergency Transformer Purchase



Cleveland Public Power is in need of a replacement substation transformer for Cargill Deicing Technology, located at 2400 Ships Channel near the mouth of the Cuyahoga River on the Whiskey Island peninsula. Cargill Deicing Technology, through its salt mine under Lake Erie, provides road salt to cities, counties, and states in the North America snow belt, from Eastern Canada and New England west to Lake Superior.

On Thursday, October 27th at 3:20 a.m., the substation transformer at Cargill Deicing Technology failed. Fortunately, personnel in the mine were able to be evacuated safely, but production of road salt has been shut down. Resumption of service is paramount to having a sufficient supply of road salt this winter.

Cargill is Cleveland Public Power's largest private customer and is the fifth largest customer overall. In the past twelve months, Cargill had a peak demand of 7,053.8 kWd and has used 29,811,219 kilowatt hours. Their electric bills for the past twelve months totaled \$10,549,379.94

This particular transformer is not maintained in our inventory due to the unique size and significant expense. Therefore, Cleveland Public Power had no transformer available in stock to meet Cargill's needs. Not to mention the transformer that failed did not exhibit any maintenance issues that would have prompted CPP to make operational adjustments prior to the failure. CPP worked feverishly to identify a replacement unit for the Cargill substation transformer. The following vendors were contacted for quotations: Powerline, Wesco, PEPCO and Cable & Connections. PEPCO quoted \$295,000.00 and Cable & Connections quoted \$265,000.00.

I am therefore requesting to undertake the emergency procedure under Section 181.12 of the Codified Ordinances to authorize the issuance of an emergency purchase order to Cable & Connections, 2500 A Leaphart Road, West Columbia, South Carolina 29160 in the total amount of \$265,000.00 for a refurbished 5,000 Kva 12 kV/4160-volt

transformer through Cable & Connections, in West Columbia, South Carolina. The

181.12 Emergency Purchases and Contracts

- (a) When an emergency occurs requiring an immediate purchase to prevent an interruption of public service that would endanger public health, safety or welfare, as declared and determined by the department director or designee, the Commissioner of Purchases and Supplies, affording as much competition as is practical under the circumstances, may make the purchase notwithstanding that the expenditure exceeds fifty thousand dollars (\$50,000.00) when the Mayor and the President of Council determine the immediate purchase is necessary to prevent an interruption of public service that would endanger public health, safety or welfare, provided that the purchase and the nature of the emergency shall be reported to Council at the next regular meeting following the authorization of the purchase.
- (b) Nothing contained in this section shall authorize any contract for service to be performed beyond the period of the second meeting of Council following the authorization of the contract by the empowered officials.

(Ord. No. 1737-08. Passed 12-8-08, eff. 12-10-08)



2500 A Leaphart Rd · West Columbia, SC 29169 888-WIRE-682 · 803-936-0190 · cableandconnections.com

Quote

Quote

808615 100454 Date

10/31/2022

Customer Contact

INVOICES

Salesperson Koberna, Tom

Quoted For: CITY OF CLEVELAND

CPP ADMINISTRATION/ CLEVELAND PUBLIC POWER

1201 LAKESIDE AVE CLEVELAND, OH 44114 Ship To:

CITY OF CLEVELAND

CPP ADMINISTRATION/ CLEVELAND PUBLIC POWER

1201 LAKESIDE AVE CLEVELAND, OH 44114

Quote Good Through 11/02/2022

Ship Via	FOB	Freight Terms	Payment Terms	Quote Description	
Best Way		Freight Allowed	Net 30		

3YEAR WARRANTY

Line	Item	Ordered	Price	Extension
1	TRANSFORMER THREE PHASE SUBSTATION 5000 KVA REFURBISHED 5000 KVA 3 PHASE TRANSFORMER	1.000 EA	265,000.00000 EA	265,000.00
			PRODUCTS Tax	265,000.00 0.00
			Total	265,000.00

*** ATTENTION *** | QUOTE VALID FOR 48 HOURS ON ALL BULK COPPER CABLE. PRICING SUBJECT TO CHANGE DUE TO UNPRECEDENTED MATERIAL PRICE ESCALATIONS & SUPPLY CHAIN ISSUES NATIONWIDE | ***ATTENTION***