



## AGENDA ITEM EXECUTIVE SUMMARY

Title:	Recommendation to Waive the Formal Bid Procedure and Approve the Purchase of Electric SCADA System Upgrade from Open Systems International, Inc.
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Presenter:	Tom Bruhl
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*Please check appropriate box:*

	Government Operations	X	Government Services 04.27.15
	Planning & Development		City Council
	Public Hearing		

Estimated Cost:	\$144,520	Budgeted:	YES	X	NO	
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If NO, please explain how item will be funded:

**Executive Summary:**

The Electric SCADA (Supervisory Control And Data Acquisition) system has enhanced electric operational efficiency since it was deployed in 2008. It is critical to monitoring our system and responding to problems. Unfortunately, Microsoft is stopping support functions on the Windows 2003 operating system on the servers. In the technology world, it is reasonable to expect to have to do a major upgrade after seven years. This is a turnkey project where OSI will procure and install the new servers and transfer our existing databases and configurations onto the new platform. The scope also includes complete testing to ensure smooth transition to the new system. The Electric Division has coordinated this work with Information Systems, and verified that the hardware pricing is competitive. Information Services further supports the turnkey approach for this project to make OSI 100% responsible for the successful testing, schedule, and implementation. Of the total, \$26,220 relates directly to server hardware, which is part of the Information Services Hardware replacement program which has been budgeted for.

**Attachments:** *(please list)*

Quotation, Bid Waiver

**Recommendation / Suggested Action** *(briefly explain):*

Recommendation to waive the Formal Bid Procedure and approve a purchase order with Open Systems International, Inc. at a cost of \$144,520.

<i>For office use only:</i>	<i>Agenda Item Number: 5.c</i>
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# Quotation

**Quote Number:**  
QT00004824

**Date:**  
March 25, 2015

**Bill To:**  
St. Charles Municipal Electric Utility  
2 East Main Street  
St. Charles, IL 60174  
USA

**Ship To:**  
St. Charles Municipal Electric Utility  
2 East Main Street  
St. Charles, IL, 60174  
USA

**Attn:** Erika Drennan

**Attn:** Erika Drennan

**Reference:** SCMEU2015-Q01-Rev2

**Terms:** Net 30 Days

**Contact:** Nick Masters

Description	Qty	Unit Cost	Unit	Extended Cost
<b>Hardware</b>				
Hardware - To Be Provided By SCMEU		N/A	EA	
<b>Hardware Subtotal:</b>				
<b>Software</b>				
monarch™ Software Upgrade Free-of-Charge with Gold Support	1	0.00	EA	Free of Charge
<b>Software Subtotal:</b>				
<b>Project Implementation</b>				
System Upgrade Implementation At OSI: Project Management and Coordination Project Engineering and Design Software Patch Evaluation Hardware Staging and Configuration Software Installation and Configuration Database and Display Conversion and Integration Cyber Security Evaluation and Design NERC CIP System Hardening Factory Q/A Testing Hardware Packing and Shipping Post-Cutover Problem Resolution and Assistance System Documentation Updates At SCMEU: Hardware Staging and Wiring Site Installation and Configuration Networking Integration Site Testing Cutover Preparation Operator Training Cutover Assistance	1	79,400.00	EA	79,400.00
<b>Project Implementation Subtotal:</b>				<b>79,400.00</b>
<b>Total:</b>				<b>79,400.00</b>



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<u>Voyager Software, Implementation, and Support Adder</u>				
<b>Software</b>				
OSI Voyager License -- Non-Redundant 1 Server 10 Named Users 5 Concurrent Connections Includes 25% Early Adopter Discount	1	20,000.00	EA	20,000.00
		<b>Discount:</b>		-5,000.00
		<b>Software Subtotal:</b>		<b>15,000.00</b>
<b>Project Implementation</b>				
Voyager Implementation At OSI: Project Management and Coordination Software Installation and Configuration Follow-Up Support, Documentation At SCMEU: Hardware Staging and Wiring Implementation, Training, and Cutover	1	21,650.00	EA	21,650.00
		<b>Project Implementation Subtotal:</b>		<b>21,650.00</b>
<b>Support</b>				
monarch™ Support Adder	1	2,250.00	EA	2,250.00
		<b>Support Subtotal:</b>		<b>2,250.00</b>
		<b>Voyager Software, Implementation, and Support Adder Total:</b>		<b>38,900.00</b>
<u>System and Voyager Servers</u>				
<b>Hardware</b>				
System Servers HP ProLiant DL380p (2) Intel Xeon E5-2630 2.3GHz 6Core 32GB RDIMM RAM 600GB (3x300GB) RAID5 Integrated Intel DualPort 1 GbE Card Redundant Power Supply Sliding Ready Rails with Cable Management Arm Front Bezel DVD-ROM, SATA, Internal Hyper-V, Windows Server 2012	2	7,260.00	EA	14,520.00



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<p>3Yr Basic Hardware, 5x10 NBD Warranty OSI Voyager Server HP ProLiant DL380p (2) Intel Xeon E5-2630 2.3GHz 6Core 32GB RDIMM RAM 600GB (3x300GB) RAID5 Integrated Intel DualPort 1 GbE Card NVidia Quadro K6000 Redundant Power Supply Sliding Ready Rails with Cable Management Arm Front Bezel DVD-ROM, SATA, Internal Windows 7 Professional 64-Bit 3Yr Basic Hardware, 5x10 NBD Warranty</p>	1	11,700.00	EA	11,700.00
<b>Hardware Subtotal:</b>				<b>26,220.00</b>
<b>System and Voyager Servers Total:</b>				<b>26,220.00</b>
<u><b>Other</b></u>				
<p>Special Terms and Conditions            1) Quote is valid until May 8, 2015.            2) Quote assumes SCMEU is responsible for all setup and configuration of the network on which the Voyager hardware resides. SCMEU will be responsible for all external connectivity and its associated security, including any NERC CIP compliance.            3) OSI will provide the default browser layout to view existing substation one-lines within the OSI system. Additional browser layouts can be configured by SCMEU or OSI at a later date, as needed.            4) Quote assumes no more than (10) Roles will be configured for the User Groups. Note, an expansion of display views, Users, and/or Roles may require additional server hardware, depending on the scope of change.            5) Voyager option does not include off-line testing/development nodes.            6) Quote assumes standard Voyager software, which supports standard one-line and tabular displays. Not all full OpenView functionality is supported to-date, such as ViewPoint, Trending, etc. These items are in the product roadmap, and will be added eventually. Quote assumes, once a version supporting Trending is available, OSI will provide SCMEU a new release, and will provide 4 hours of remote support to install and configure the new release. If additional support is needed, it can be provided in a T&amp;M basis.            7) Quote assumes SCMEU will be responsible for setup and configuration of the server and workstation Operating Systems and Hypervisors. OSI will assist, as needed.</p>				



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<p>8) Quote assumes SCMEU will provide all third-party hardware, software (such as backup/archival software), licensing, and configuration not specifically mentioned in this quote.</p> <p>9) Quote assumes SCMEU will have dedicated personnel assigned to assist in the installation and implementation effort.</p> <p>10) Quote assumes SCMEU will provide all relevant system information required for the work, as needed (e.g. databases, displays, networking information, etc.).</p> <p>11) If required, quote assumes SCMEU will handle any custom display and database work, and will test and verify all external links and interfaces.</p> <p>12) Quote assumes SCMEU will provide high-speed remote access to server and console hardware, if needed (VPN, Remote Desktop Connection, etc.). Dial-up modem connections are insufficient.</p> <p>13) All quoted hardware is provided with standard OEM warranties.</p> <p>14) Quote assumes SCMEU will provide sufficient cabinet space for new hardware. If SCMEU is not able to provide this, additional cabinets can be quoted separately.</p> <p>15) Quote assumes any hardware purchased by SCMEU is compliant with monarch.NET minimum requirements as follows:</p> <p>Server:  Xeon CPU: Dual Six-Core HT, 2.3GHz and above  RAM: 32GB  OS: Windows Server 2008 and 2012, RedHat Enterprise Linux 5 and 6</p> <p>Workstation:  CPU: Single Quad-Core 2.4GHz and above  RAM: 8GB  OS: Windows 7 64-Bit  Video Card: AMD FirePro W5000, 2GB or better, OpenGL 4.0</p>				
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**Comments:**

Payment Milestones: 50% Upon Quote Acceptance  
50% Upon Project Completion

**See Totals Above**



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### Terms and Conditions

1. This quotation is valid for 30 days, unless otherwise agreed.
2. Travel costs are not included in this quote. All travel and associated administrative costs will be billed as incurred.
3. All quoted prices are in US Dollars (\$), unless otherwise noted.
4. OSI will schedule all work upon receipt of the purchase order subject to OSI's resource availability.
5. Unless otherwise stated, Customer shall pay all applicable shipping.
6. Training, if applicable, will be provided at OSI's facility, unless otherwise agreed.
7. Quoted price does not include applicable taxes.
8. Customer shall provide all relevant system information required for the work as needed (i.e. databases, displays, reports, IP addresses, networking information, RTU channel information, etc.) and shall be responsible for all delays caused by Customer's failure to do so in a timely manner.
9. Unless otherwise stated, Customer will have dedicated personnel available to assist OSI in the work.
10. OSI does not guarantee that third-party goods will be available at time of quote acceptance. If third party goods are not available, upon Customer's authorization, OSI will provide suitable replacements and bill any resulting cost differences to the Customer. Failure to timely authorize replacements may result in delays and/or need to re-quote.
11. When applicable, Customers subscribing to Gold or above Support Plans may be entitled to new software version updates without charge. With the exception of Diamond Plan subscribers, the Customer will be responsible to pay for any engineering services required to implement the software upgrades.
12. Unless otherwise agreed and quoted, Customer is responsible for all preparations for OSI's installation of software, hardware or services and any post-installation compatibility testing and compliance issues.
13. Customer will provide adequate environmental and power conditions onsite, unless otherwise stated.
14. Cutover is defined as the quoted functionality being operational with no outstanding critical incidents.
15. Any Quote(s) for system upgrade services require(s) that at the time of actual implementation Customer has a valid premium monarch™ Support plan which includes software upgrade privileges and that the system size or scope does not change dramatically between the issuance of the quote and implementation of the service.
16. OSI is unable to guarantee the availability of various third party goods including software, hardware, etc. This quote is based upon the assumption that if third party goods are unavailable at the time of ordering, OSI and Customer will work together to reach a reasonable alternative, with the customer being liable for any significant price increase and OSI providing a credit for any price decreases.
17. Export Controls:
  - a. Customer represents: It is not a citizen, national, or resident of, and is not under control of, the government of Cuba, Iran, Sudan, Libya, North Korea, Syria, nor any country to which the United States has prohibited export and that it is not listed on the United States Department of Treasury lists of Specially Designated Nationals, Specially Designated Terrorists, and Specially Designated Narcotic Traffickers, nor are you listed on the United States Department of Commerce Table of Denial Orders.
  - b. Customer agrees that it will not export or re-export the Product(s), directly or indirectly, to the above mentioned countries nor to citizens, nationals or residents of those countries nor to any entity so listed on any of the above mentioned lists.
  - c. Customer agrees that it will not use the Product(s) for, and will not allow the Product(s) to be used for the development, design, manufacture or production of nuclear, chemical or biological weapons of mass destruction.
  - d. The requirements of (b) and (c) above apply to all Product(s) purchased or licensed to Customer from OSI whether included in this quote or purchased or licensed previously.

**Notice: OSI's quote is based upon Customer's acceptance of all applicable Terms and Conditions. Requests for additions to, deletions of, or different Terms and Conditions, may require a revised quote and/or additional costs or schedule delays.**

**REQUEST FOR WAIVING BID PROCEDURE**

We request the City Council to waive the bid procedure and accept the quotation (requiring two-thirds City Council vote) submitted by:

Open Systems International, Inc.  
4101 Arrowhead Drive  
Medina, MN 55340-9649

For the purchase of: Electric SCADA System Upgrade and Hardware

At a cost not to exceed: \$144,520

Reason for the request to waive the bid procedure: OSI is our current SCADA vendor. There is no other vendor capable of upgrading OSI Software.

Other Quotations Received: None

Date: 4/27/15

Requested by: T. Bruhl

Department Director: \_\_\_\_\_

Purchasing Manager: \_\_\_\_\_

Committee Chairman: \_\_\_\_\_

**THIS REQUEST FORM MUST BE SIGNED BY ALL PARTIES PRIOR TO REQUESTING COMMITTEE APPROVAL FOR WAIVING OF THE BID PROCEDURE. REQUESTS FORWARDED DIRECTLY TO THE CITY COUNCIL (AND BYPASSING COMMITTEE) MUST BE SIGNED BY ALL PARTIES PRIOR TO REQUESTING CITY COUNCIL APPROVAL. SUCH REQUESTS ARE TO BE OF AN EMERGENCY NATURE WHERE TIME IS OF THE ESSENCE.**