



City Council Report

Date: July 1, 2014
To: City Council
Through: Alex Deshuk, Manager of Technology and Innovation
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: One-Year Term Contract for Precast Electric Vaults for the Energy Resources Department **(Single Bid) (Funded by 2010 Electric Utility Bonds) (Citywide)**

Purpose and Recommendation

Council is requested to approve the Term Contract for Precast Electric Vaults as recommended.

Energy Resources and Purchasing recommend awarding the contract to the single bidder, Oldcastle Precast at \$262,550.00 annually, based on estimated requirements.

Background / Discussion

This contract will provide underground electric vaults, vault lids and other vault-related products and services. The vaults, vault system components and services are needed to maintain and expand the City's underground electric distribution system. This agreement is also used to repair existing vaults such as deteriorated vault lids in streets, sidewalks and parking lots can be a potential safety hazard.

Electric Utility will use the contract primarily for the purchase of vault lids to replace deteriorated lids for the more than 600 vaults in the underground electric distribution system. It is also intended to supply replacement vault lids while plans and specifications are prepared for new vaults, replacement lids and its components, and transformer and switch pads.

This previous contract (2008127) could not be extended and expired 11/30/2013. The recommended vendor, Oldcastle Precast, is the only vendor that bid on this contract in 2008, the last time the City solicited bids. Purchasing evaluated this vendor's bid pricing as fair and reasonable.

Alternatives

Council may choose not to authorize the purchase and new responses will be solicited.

Fiscal Impact

The total amount of \$262,550.00 is available through 2010 Electric Utility Bonds.

Coordinated With

Energy Resources – Electric Utility, and Purchasing

PURCHASING INFORMATION

Action: Initial Award

Procurement Type: Request for Bids

Solicitation Number: 2014165

Vendors Registered on Bid List: Seven (Zero Mesa)

Advertising: Arizona Republic, Bid Net, Purchasing Website and ProcureAZ

Downloads: Fourteen

Responses: One

Local Consideration: Not applicable as there was a single response

Protests Received: None

Initial Contract Term: One year

Possible Renewals: Two, one-year renewal subject to future Council consideration

Prices: Future price increases are capped by the Producer Price Index

Pricing Available to Other Cooperative Agencies: Yes

May 20, 2014 Single Response:

Oldcastle Precast

Chandler, AZ

\$243,551.00 (Recommended)

AWARD RECOMMENDATION

Oldcastle Precast

Chandler, AZ

Description
Supply and service contract for precast electric vaults, vault lids and other vault-related products and associated services per Terms and Conditions, Specifications and Pricing as offered, including 7.8% sales tax
Annual Contract Amount: <u>\$262,550.00</u>