

# City Council Report

**Date:** August 18, 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:** Three-Year Term Contract for the Replacement of TOPAZ Radio Site Batteries for the Communications Department (**Citywide**)

**Strategic Initiatives:**



## Purpose and Recommendation

Council is requested to approve the Term Contract for TOPAZ Radio Site Batteries as recommended.

Communications and Purchasing recommend awarding the contract to the lowest priced, responsive and responsible bidder, NGH Power Systems, Inc.: Fiscal Year (FY) 14/15 at \$39,705.52; FY 15/16 at \$52,940.70; and FY 16/17 at \$39,705.53; based on estimated requirements. The combined total award is \$132,351.75.

## Background / Discussion

This contract will provide Valve-Regulated Lead Acid (VRLA) batteries that keep the TOPAZ Voice Radio Network operational during commercial power outages until the emergency generator provides power to the site. The typical service life of these VRLA batteries is seven to ten years. The batteries at the TOPAZ radio sites are twelve years old, no longer meet specifications, and need to be replaced to ensure the continued reliable operation of the TOPAZ Voice Radio Network for mission-critical Public Safety communications. The batteries will be replaced over the next three fiscal years.

The current batteries at the TOPAZ Voice Radio Network sites were installed in 2002 as the sites were upgraded for the TOPAZ Voice Radio Network. These batteries have lasted beyond their normal service life, and have begun exhibiting end-of-life symptoms during preventive maintenance testing. The batteries recommended for purchase have a ten-year full (non-prorated) warranty.

## Alternatives

Council may choose not to authorize the purchase. This may result in operational impacts to the TOPAZ Voice Radio Network during commercial power outages. As the current batteries continue to age, their capacity will continue to diminish, which could result in an outage to a TOPAZ Voice Radio Network site during a commercial power outage if the

emergency generator fails to start. Additionally, as the current batteries continue to age, the risk of fire due to a failed cell increases which may result in an outage of an unknown duration and a financial impact as the damage from a fire is cleaned and repaired.

### **Fiscal Impact**

The annual contract amount is funded by the Communications department operating budget. As the Administrative Manager for the TRWC, the City of Mesa budgets for the full cost of operations and maintenance of the TOPAZ Voice Radio Network for the TRWC, and is reimbursed by the members of the TRWC based on their usage of the TOPAZ Voice Radio Network.

At the present time, Mesa funds about 74% of the operation of the TRWC, and the other members (City of Apache Junction, Town of Gilbert, Rio Verde Fire District, Superstition Fire & Medical District - formerly Apache Junction Fire District and Town of Queen Creek) reimburse the City for the remaining 26% of the operations of the TRWC.

### **Coordinated With**

Communications and Purchasing

### **PURCHASING INFORMATION**

Action: Initial Award

Procurement Type: Request for Bids

Solicitation Number: 2014271

Vendors Registered on Bid List: Fourteen (One Mesa)

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

Downloads: Thirty-one

Responses: Two

Local Consideration: Not applicable as there were no Mesa responses.

Protests Received: None

Initial Contract Term: Three years

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

### **July 1, 2014 Responses:**

NGH Power Systems Inc. Phoenix, AZ	\$123,450.00 (Recommended)
Powercare and Service Solutions, Inc. dba Interstate Powercare Dallas, TX	\$135,055.20

**AWARD RECOMMENDATION**

***NGH Power Systems Inc.***

**Phoenix, AZ**

<b>Description</b>	
<p>VRLA Batteries, Purchase and Installation per Terms and Conditions, Specifications and Pricing as offered</p>	
<p>(10) C&amp;D Technologies Model AT-11P VRLA Batteries 24 Cell 4W X 6H configuration, 600AH @ 8hr rate to 1.75 VPC. Including all connective hardware and battery accessory kit – \$10,725.00 each – Sub Total <u>\$107,250.00</u> (Taxable)</p>	
<p>(10) Removal and proper disposal of two 24 cell battery strings and installation of new battery in existing 23" rack, one site will require the installation of a new 23" rack, including integration and configuration of new battery into existing Sageon II battery monitoring equipment – \$1,620.00 each – Sub Total <u>\$16,200.00</u></p>	
Base Sub Total	\$123,450.00
8.3% Sales Tax	<u>\$8,901.75</u>
Total	<b><u>\$132,351.75</u></b>
<b>FY 14/15 Contract Amount:</b>	<b><u>\$39,705.52</u></b>
<b>FY 15/16 Contract Amount:</b>	<b><u>\$52,940.70</u></b>
<b>FY 16/17 Contract Amount:</b>	<b><u>\$39,705.53</u></b>