



# City Council Report

**Date:** July 8, 2015  
**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:** Purchase of Two Replacement Battery Backup Systems for the Energy Resources Department (**Funded by the Utility Replacement Extension and Renewal Fund**) (**District 1 and 4**)

## **Purpose and Recommendation**

Council is requested to approve the purchase of two Battery Backup Systems for the Lewis and Robson Electric Utility Substations as recommended.

The Energy Resources Department and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, Storage Battery Systems, LLC at \$54,107.33.

## **Background / Discussion**

This purchase will provide reliable and durable Nickel Cadmium battery backup systems for use as a DC power source at the Lewis and Robson Electric Utility Substations. Reliable DC power is required for backup power supply for the substation's control and protection systems and for critical equipment such as SCADA, communication system, trip voltages to operate breakers, and other electronic equipment. Historical testing of the battery backup systems at the substations indicate a significant reduction in reliability and replacement battery backup systems are needed at this time.

This procurement was done through a reverse auction saving the City an estimated 17% over what was initially budgeted from Energy Resources to cost \$65,000.00.

## **Alternatives**

Council may choose not to award the purchase and new responses will be obtained.

## **Fiscal Impact**

This purchase is funded by the Utility Replacement Extension and Renewal Fund.

## **Coordinated With**

Energy Resources – Electric Utility and Purchasing

## **PURCHASING INFORMATION**

Action: Initial Award

Procurement Type: Request for Bids

Solicitation Number: 2015280

Vendors Registered: ProcureAZ (844) and Vendor Self Service (111)

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

Responses: 3 (and 3 No Bid responses)

Local Consideration: Not applicable as there were no Mesa responses

Protests Received: None

Prices: Future price increases are capped by the Index – N/A

Pricing Available to Other Cooperative Agencies: Yes

### **June 9, 2015 Responses**

Storage Battery Systems, LLC Menomonee Falls, WI	\$51,238.00 (Recommended)
Young Power Equipment for ALCAD North Haven, CT	\$52,940.00
Powercare and Service Solutions, Inc. dba Interstate Powercare Dallas, TX	\$76,800.00

#### **No Bid Response received from**

Arizona Sun Sales, Inc. – Phoenix, AZ

Independent Electric Supply – Phoenix, AZ

QCM Technologies – Phoenix, AZ

## **AWARD RECOMMENDATION**

***Storage Battery Systems, LLC***

**Menomonee Falls, WI**

Description	
Quantity 2 – Nickel Cadmium Battery Systems per Terms and Conditions, Specifications and Pricing at \$25,619.00 / each	
Base	\$51,238.00
5.6% Use Tax	<u>\$2,869.33</u>
<b>Total</b>	<b>\$54,107.33</b>