



City Council Report

Date: November 6, 2017
To: City Council
Through: Mike Kennington, Chief Financial Officer
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: One-Year Renewal Contract for Electrical Installation and Maintenance Services for Utilities Infrastructure for the Water Resources Department
(Citywide)

Purpose and Recommendation

Council is requested to approve the Renewal Contract for Electrical Installation and Maintenance Services for Utilities Infrastructure as recommended.

The Water Resources Department and Purchasing recommend authorizing the renewal with Rural Electric Inc. (Primary) (a Mesa business); Swain Electric Inc. (Secondary); and Ludvik Electric Co. (Tertiary); cumulatively not to exceed \$100,000.00, based on estimated requirements.

Background / Discussion

This contract provides qualified electrical Contractors for labor, materials and equipment needed to provide electrical installation services as-needed at the City's water and wastewater treatment, distribution and collection facilities. Project work may include: service entrance preventative maintenance, replacement of electrical due to wire theft, general and emergency electrical services and other electrical maintenance as requested by the Water Resources, Process Control Group.

The selected Contractors provide a detailed cost estimate listing parts and labor breakdown for all services and projects and must receive written authorization from an authorized City staff member prior to commencement of each service.

In most cases, the Primary Contractor will be contacted first whenever maintenance or repairs are required. If the Primary Contractor is able to respond within a satisfactory time frame, as determined by the City, then they will perform the work. If the Primary Contractor is unable to respond within a satisfactory time frame, as determined by the City, then the Secondary Contractor shall be called upon. If both the Primary Contractor and the Secondary Contractor are unable to respond within a satisfactory time frame, as determined by the City, then the Tertiary Contractor shall be called upon. Any or all Contractors may be used in the event of scheduling conflicts, or when there are multiple projects or other major problems. For projects requiring a particular expertise, the awarded Contractor who has been identified to have an expertise in that area may be used out of primary order.

The three Contractors each agreed to renew maintaining last year's pricing. The Consumer Price Index has increased by 1.9% in the past year and 3% in the past three years. The contractors have agreed to hold pricing which has been in effect since the start of the contract.

This is a complicated contract and multiple vendors are needed because of the volume of jobs throughout the Water Resources Department. There are many ongoing projects currently in process and re-bidding this contract at this time would be problematic. The City has been satisfied with the vendors' performance. This contract continues to be advantageous and it is in the City's best interest to renew for an additional year.

Alternatives

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

Fiscal Impact

The annual contract amount is funded by the Water Resources Department operating budget.

Coordinated With

Water Resources and Purchasing

PURCHASING INFORMATION

Action: Renewal Authorization

Procurement Type: Request for Proposals

Contract Number: 2015053

Responses Received: 5

Initial Award: 11/17/2014

Initial Contract Term: Three years

Renewal Term: One year

Possible Renewals: One year renewal subject to Council approval

Proposals received on September 30, 2014

Hawkeye Electric, Inc. - Gilbert, AZ

Ludvik Electric Co. - Phoenix, AZ

Rural Electric Inc. - Mesa, AZ

Swain Electric Inc. - Gilbert, AZ

Valley Wide Electric Co. LLC - Phoenix, AZ

Proposal Scoring Results

Evaluation Criteria / Possible Points	Rural Electric Inc. Mesa, AZ (Awarded)	Swain Electric Inc. Gilbert, AZ (Awarded)	Ludvik Electric Co. Phoenix. AZ (Awarded)
Total / 1,000 Maximum Points	<u>791.5</u>	<u>757.1</u>	<u>699.1</u>

Non-Responsive Proposals received from

Hawkeye Electric, Inc. - Gilbert, AZ – Did not meet the minimum licensing requirement per RFP; carries L11 but not A-17.

Valley Wide Electric Co. LLC - Phoenix, AZ - Did not meet the minimum licensing requirement per RFP; carries K11 but not A-17.

RENEWAL RECOMMENDATION

Primary Contractor

Rural Electric Inc.
Mesa, AZ

Secondary Contractor

Swain Electric Inc.
Gilbert, AZ

Tertiary Contractor

Ludvik Electric Co.
Phoenix. AZ

Description
Contractor to perform electrical services per Contract No. 2015053, Terms and Conditions and Specifications, as-needed and as requested by the City of Mesa Process Controls Group Annual Contract Amount: <u>\$100,000.00</u> (cumulatively not to exceed)