



City Council Report

Date: January 23, 2023
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Three-Year Term Contract with Two Years of Renewal Options for Refurbishment of Electric Distribution Transformers for the Energy Resources Department **(Citywide)**

Recommendation

Council is requested to approve the award as recommended.

The Energy Resources Department and Purchasing recommend awarding the contract to the lowest, responsive, and responsible bidder, Environmental Management Utility Services, LLC dba Emerald Transformer at \$220,000 annually, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

Background / Discussion

This contract will provide for the refurbishment of Mesa electric distribution transformers that have been identified as eligible for refurbishment that are the appropriate size and type that are still needed by the Department. The contractor will pick up, transport, test, refurbish, rebuild and deliver units that are ready to return to service. The electric industry supply chain presently is not fully supporting the electric utility schedule needs therefore many utilities have started refurbishing transformers to keep up with demand. Mesa electric distribution transformers are essential for providing electric service for new Electric customers or upgrading services.

Purchase Information

Action: Award
Procurement Type: Request for Bids
Contract Number: 2023034
Local Consideration: Not applicable as there were no Mesa responses
Protests Received: None
Initial Contract Term: Three Years
Possible Renewals: Up to a maximum of two years subject to Administrative review and approval
Funding Source: Energy Resources operating budget (Electric Transmission and Distribution Maintenance of Transformers)

Bid Responses – November 15, 2022

Environmental Management Utility Services, LLC dba Emerald Transformer Scottsdale, AZ	\$128,078.59 (Recommended)
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Power Electronics Visalia, CA	\$180,885.00
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No Bid response received from:
Rogers Strong Associates, Inc.