

Mayor and Council Communication

DATE: 04/25/23

M&C FILE NUMBER: M&C 23-0300

LOG NAME: 13P ITB 23-0031 SWITCHGEAR REPAIR AND REPLACEMENT SRVS AW WATER

SUBJECT

(ALL) Authorize Execution of Agreements with Electrical Reliability Services, Inc., National Electrical Services, Inc. dba National Field Services, and Shermco Industries, Inc. for Switchgear Repair and Replacement Services for the Water Department in a Combined Annual Amount Up to \$2,000,000.00 and Authorize Four, One-Year Renewals in the Amount of \$2,400,000.00 for the First Renewal, \$2,880,000.00 for the Second Renewal, \$3,456,000.00 for the Third Renewal, and \$4,147,200.00 for the Fourth Renewal

RECOMMENDATION:

It is recommended that the City Council authorize execution of agreements with Electrical Reliability Services, Inc., National Electrical Services, Inc. dba National Field Services, and Shermco Industries, Inc. for switchgear repair and replacement services for the Water Department in a combined annual amount up to \$2,000,000.00 and authorize four, one-year renewals in the amount of \$2,400,000.00 for the first renewal, \$2,880,000.00 for the second renewal, \$3,456,000.00 for the third renewal, and \$4,147,200.00 for the fourth renewal.

DISCUSSION:

The Water Department approached the Purchasing Division for assistance with securing an agreement for switchgear repair and replacement services on an as-needed basis. Under the proposed agreements, the vendors will provide field and shop repairs on electric switchgear equipment located at water and wastewater treatment plants, and pump stations. In the event the electrical component cannot be repaired, the vendors will offer options of replacement components to ensure the electric power distribution systems remain in an operable state. Purchasing issued an Invitation to Bid (ITB) that consisted of detailed specifications including the certification and licensing requirements of prospective vendors, the equipment required to perform repairs, and the response time needed to ensure repairs are performed in a timely manner.

The ITB was advertised in the *Fort Worth Star-Telegram* on February 8, 2023, February 15, 2023, February 22, 2023, and March 1, 2023. The City received three responses.

An evaluation panel consisting of representatives from the Water and Transportation Public Works Departments reviewed and scored the submittal using Best Value criteria. The individual scores were averaged for each of the criteria and the final scores are listed in the table below.

Bidder	Evaluation Factors				
	a	b	c	d	Total score
Electrical Reliability Services, Inc.	11.88	7.50	13.13	30.52	63.02
National Electrical Services, Inc. dba National Field Services	12.50	7.50	12.50	32.65	65.15
Shermco Industries, Inc.	13.13	7.50	12.50	35.00	68.13

Best Value Criteria:

- a. Contractor’s availability of equipment and certified personnel to perform services
- b. Contractor’s ability to perform services in a timely manner
- c. Extent to which the services meet the City’s needs
- d. Cost of service

After evaluation, the panel concluded that Electrical Reliability Services, Inc., National Electrical Services, Inc. dba National Field Services, and Shermco Industries, Inc. presented the best value. Therefore, the panel recommends that Council authorize agreements with Electrical Reliability Services, Inc., National Electrical Services, Inc. dba National Field Services, and Shermco Industries, Inc. No guarantee was made that a specific amount of services would be purchased. Staff certifies that the recommended vendors' bids met specifications.

Due to market volatility caused by supply chain disruptions, it may be necessary to increase the total compensation for each annual renewal term. Therefore, it is recommended that Council authorize a total compensation increase for the renewal terms, if exercised, of 20% each year. The total compensation for the initial term of the contracts shall not exceed \$2,000,000.00, \$2,400,000.00 for the first renewal, \$2,880,000.00 for the second renewal, \$3,456,000.00 for the third renewal, and \$4,147,200.00 for the fourth renewal.

FUNDING: The maximum amount allowed under this agreement for the initial term will be \$2,000,000.00; however, the actual amount used will be based on the need of the department and available budget.

Funding is budgeted in the Other Contractual Services account of the Wastewater Departments rollup within the Water & Sewer Fund.

DVIN-BE: A waiver of the goal for Business Equity subcontracting requirement is approved by the DVIN-BE, in accordance with the Business Equity Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

AGREEMENT TERMS: Upon City Council approval, this agreement shall begin upon execution and expire one year from that date.

RENEWAL TERMS: This agreement may be renewed for four additional, one-year terms at the amounts authorized through this Mayor & Council Communication. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

ADMINISTRATIVE CHANGE ORDER: An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendation, funds are available in the current operating budget, as previously appropriated, in the Water & Sewer Fund. Prior to an expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

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Expedited