**Condensed Title:**

Request For Approval To Award A Contract To R & D Electric, AGC Electric, and Enterprise Electrical Pursuant To Invitation To Bid (ITB) No. 2014-080 For Electrical Services.

**Key Intended Outcome Supported:**

Ensure Well-Maintained Facilities.

**Supporting Data (Surveys, Environmental Scan, etc.):** N/A

**Issue:**

Shall the City Commission approve the award of Contract?

**Item Summary/Recommendation:**

The purpose of this item is to approve contracts for the purchase of Electrical Services pursuant to ITB. 2014-080. This item is necessary in order to meet the demands at various City facilities, shorten the response time and improve the efficiency of the quality of work for electrical services Citywide. The City requires qualified electrical contractors for the provision of various routine electrical services on an "as needed" basis, including emergency repairs and planned repairs or small projects.

Thirty (30) vendors were notified of the solicitation, with seven (7) vendors downloading the solicitation. Six (6) responses were received in response to the solicitation.

After review of responses received, it is recommended that the following responsive, responsible bidders be awarded the contract for Group I: R & D Electric, Inc., lowest responsive, responsive and responsible bidder, as primary vendor; AGC Electric, Inc., second lowest responsive, responsive and responsible bidder, as secondary vendor; and, Enterprise Electrical Contracting, third lowest responsive, responsive and responsible bidder, as tertiary vendor. For Group II (Equipment and Parts), it has been determined that both bids received are non-responsive.

**RECOMMENDATION**

It is recommended that, for Group I: R & D Electric, Inc., be awarded as primary vendor; AGC Electric, Inc., be awarded as secondary vendor; and, Enterprise Electrical Contracting, be awarded as tertiary vendor.

**Advisory Board Recommendation:**

N/A

**Financial Information:**

| Source of Funds: | | Amount | Account |
|---|---|---|---|
| | 1 | * | |
| | Total | | |

**Financial Impact Summary:** * The annual cost associated with electrical services is subject to funds availability approved through the City's budgeting process. Account information and availability of funds shall be verified and approved for each request prior to procuring the services. Should additional funding be required due to increased need of services, it will be subject to the review and approval of the Budget Office.

**City Clerk's Office Legislative Tracking:**

Alex Denis, Director Ext # 6641

**Sign-Offs:**

| Department Director | Assistant City Manager | City Manager |
|---|---|---|
| AD ____ ETC ____ | KGB ____ MT ____ | JLM ____ |

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MIAMIBEACH

AGENDA ITEM C2H
DATE 2-12-14

# MIAMIBEACH

**City of Miami Beach,** 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

## COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: February 12, 2014

SUBJECT: **REQUEST FOR APPROVAL TO AWARD A CONTRACT PURSUANT TO INVITATION TO BID (ITB) NO. 2014-080 FOR ELECTRICAL SERVICES**

**ADMINISTRATION RECOMMENDATION**
Approve the award of the contract.

**KEY INTENDED OUTCOME**
Ensure Well-Maintained Facilities.

**FUNDING**
The annual cost associated with electrical services is subject to funds availability approved through the City's budgeting process. Account information and availability of funds shall be verified and approved for each request prior to procuring the services. Should additional funding be required due to increased need of services, it will be subject to the review and approval of the Budget Office.

**BACKGROUND INFORMATION**
The purpose of Invitation to Bid (ITB) No. 2014-080 is to establish a contract, by means of sealed bids, with a qualified firm(s) to provide various routine electrical services on an "as needed" basis, including emergency repairs and planned repairs or small projects Citywide. The ITB also requested bidders to provide pricing for parts and supplies for those cases in which City staff completes necessary repairs. The ITB states that the City may award up to three vendors (primary, secondary, tertiary). Secondary and tertiary vendors would only be used in the event that the primary vendor is unable to perform the work or the City has determined, due to prior performance, it would not be in the City's best interest to award additional work.

The contract(s) entered into with the successful bidder(s) shall remain in effect for two (2) years. The price offered by the Bidder in its Bid Proposal shall remain firm and fixed during the initial two (2) year term. The City, through its City Manager, shall have the option to renew this contract for an additional three (3) one-year periods on a year-to-year basis. During the renewal term, the City may consider an adjustment to price based on changes in the applicable CPI-U index.

**ITB PROCESS**
ITB No. 2014-080, was issued on December 20, 2013, with a bid opening date of January 16, 2014. A total of two (2) addenda were issued, to answer to questions submitted by prospective bidders. The Public Group issued bid notices and ten (10) prospective bidders accessed the advertised solicitation. Additionally, fifteen (15) firms were notified of the ITB

through the Florida Purchasing Group website. Finally, the Department of Procurement Management sent the ITB document to five (5) firms not registered with the Public Group.

The notices resulted in the receipt of six (6) bids from:

- AGC Electric Inc.
- Edd Helms Electric
- Enterprise Electrical Contracting, Inc.
- Horsepower Electric
- R & D Electric, Inc.
- Thevenin Enterprises, Inc.

The ITB stated that the lowest responsive, responsible bidder meeting all terms, conditions, and specifications of the ITB will be recommended for award. Veterans and local preferences were considered during the tabulation of the bids received. No bidders were eligible to receive veterans or local preference.

In evaluating Group I (Equipment, Parts and Service) it has been determined that the bid received from R & D Electric, Inc. is the lowest responsive and responsible according to the bid requirements. The second lowest responsive and responsible bid for Group I is AGC Electrical Contracting, Inc., and the third lowest responsive and responsible bid for Group I is Enterprise Electrical.

In evaluating Group II (Equipment and Parts only) it has been determined that both bids received from Edd Helms Electric and Horsepower Electric are non-responsive. The non-responsive determination is made based upon the fact that each vendor stated they are not willing to only sell equipment and parts if they are not also awarded Group I (Equipment, Parts and Service).

In determining responsiveness and responsibility of the bidders, in addition to verifying compliance with the scope of the ITB, the Department of Procurement Management verified the following:

- <u>Minimum Requirements</u>
  1. Licensure / Certification: State Electrical Contractor or Miami-Dade Master Electrician. Current licenses must be provided with bid, and no personnel shall service City facilities without said licenses.

     R & D Electric, AGC Electric, and Enterprise Electrical each submitted copies of the State of Florida Electric Contractors License.

  2. Similar Experience: Bidder shall demonstrate previous experience in regards to the requirements of this solicitation for a period of no less than three (3) years in providing these services to at least one government agency in the Tri-County area (Miami-Dade, Broward, Palm Beach).

     R & D Electric, AGC Electric, and Enterprise Electrical each provided a minimum of three (3) verifiable references inclusive of government agencies in which all provided very positive feedback.

- Past Performance
  R & D, located in Miami, Florida; has provided electrical services for twelve (12) years to various companies in the private and public sector. Specifically, they have provided electrical service work for the Miami Dade Police Department, City of Coral Gables, and the City of Tamarac.

  AGC Electric, located in Hialeah, Florida; has provided electrical services for sixteen (16) years to various companies in the private and public sector such as Miami-Dade County, City of Miami Beach, Miami Dade County Public Schools and the Florida Department of Transportation.

  Enterprise Electrical located in Miami, Florida, has provided electrical services for eight (8) years to various companies in the private and public sector inclusive of City of Opa-Locka, FPL, Central Florida Equipment, Inc., and the City of Miami Beach.

Pricing received from R & D, Inc., AGC Electric and Enterprise Electrical is included in Appendix A.

**CITY MANAGER'S REVIEW**
After considering the review and recommendation of City staff, the City Manager exercised his due diligence and is recommending to the Mayor and the City Commission that: R & D Electric be awarded as primary; and AGC Electric as secondary; and Enterprise Electrical as tertiary for Group I.

**CONCLUSION**
Based on the aforementioned, the Administration recommends that the Mayor and City Commission award a contract pursuant to Invitation to Bid (ITB) No. 2014-080 for Electrical Services for Group I (Equipment, Parts and Service) to: R & D Electric, the lowest responsive, responsible bidder as the primary vendor; and AGC Electric, the second lowest responsive, responsible bidder as secondary vendor; and, Enterprise Electrical, the third lowest responsive, responsible bidder, as tertiary vendor. For Group II (Equipment and Parts) it has been determined that both bids received from Edd Helms Electric and Horsepower Electric are non-responsive as noted above.

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ITB 2014-080 SW ELECTRICAL SERVICES COMMISSION MEMO - APPENDIX A

**SECTION 5.1 - EQUIPMENT, PARTS AND SERVICE**

| GROUP 1 | | | | AGC ELECTRIC | | EDD HELMS ELEC | | ENTERPRISE ELEC. | | HORSEPOWER ELEC. | | R & D ELECTRIC, INC | | THEVEIN ENTERPRISES | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Group Item | Description | Estimated Annual Service hours | U/M | Unit Cost | Total (Quantity x Unit Cost)1 | Unit Cost | Total (Quantity x Unit Cost)1 | Unit Cost | Total (Quantity x Unit Cost)1 | Unit Cost | Total (Quantity x Unit Cost)1 | Unit Cost | Total (Quantity x Unit Cost)1 | Unit Cost | Total (Quantity x Unit Cost)1 |
| 1A | Hourly Rate - Regular | 1600 | Hourly Rate | $45.00 | $ 72,000 | $75.00 | $ 120,000 | $55.00 | $ 88,000 | $200.00 | $ 320,000 | $45.00 | $ 72,000 | $90.00 | $ 144,000 |
| 1B | Hourly Rate - Non Regular | 400 | Hourly Rate | $67.50 | $ 27,000 | $120.00 | $ 48,000 | $82.50 | $ 33,000 | $200.00 | $ 80,000 | $65.00 | $ 26,000 | $135.00 | $ 54,000 |
| | | Sub- total Item 1 - Labor (Items 1A + 1B) | | | $ 99,000 | | $ 168,000 | | $ 121,000 | | $ 400,000 | | $ 98,000 | | $ 198,000 |
| Group Item | Description | Estimated Annual Gross Costs (Dealer Invoice Cost) | % of Mark-up (See Special Condition 3.23) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) |
| 1C | Mark-up for Parts and Supplies | $135,000 | | 10% | $13,500 | 10% | $13,500 | 15% | $20,250 | 24% | $32,400 | 10% | $13,500 | 17% | $22,950 |
| | | Sub- total Item 1 - Parts (Items 1C) | | | $148,500 | | $148,500 | | $155,250 | | $167,400 | | $148,500 | | $157,950 |
| | | Total Group 1(1A + 1B + 1C) | | | $247,500 | | $316,500 | | $276,250 | | $567,400 | | $246,500 | | $355,950 |

**SECTION 5.2 - EQUIPMENT OR PARTS ONLY**

| GROUP 2 | | | AGC ELECTRIC | | EDD HELMS ELEC | | ENTERPRISE ELEC. | | HORSEPOWER ELEC. | | R & D ELECTRIC, INC | | THEVEIN ENTERPRISES, | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Group Item | Description | Estimated Annual Gross Costs (Dealer Invoice Cost) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) | % of Mark-up | Net Cost (Delaer Invoice Cost x % Mark-up) |
| 2 | Mark-up for Parts and Supplies | $135,000 | N/A | | 10% | $13,500 | N/A | | 17.5% | $23,625 | N/A | | 17% | |
| | | Total Group 2 | | | | $148,500 | | | | $158,625 | | | | |

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