

City of Sacramento

Legislation Text

File #: 2020-01225, Version: 1

Title:

Agreement: Purchase of Schneider Electric Automation Equipment and Parts (Two-Thirds Vote Required)

File ID: 2020-01225

Location: Citywide

Recommendation:

Pass a Motion authorizing the City Manager or the City Manager's designee to: 1) suspend competitive bidding in the best interest of the City, for the purchase of Schneider Electric automation equipment and parts; and 2) execute a Goods Agreement with Edges Electrical Group for Schneider Electric automation equipment and parts with an amount not-to-exceed \$900,000 for the maximum five-year term.

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Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Agreement

Description/Analysis

Issue Detail: The Department of Utilities (DOU) has an ongoing need to purchase Schneider Electric automation equipment and parts which are necessary to maintain, repair and upgrade the infrastructure of the City's water treatment plants, wastewater lift stations and drainage pumping stations. In many cases the equipment has reached the end of its serviceable life.

The purchase of Schneider Electric automation equipment and parts will ensure continued water treatment, wastewater, and storm drainage system functionality, as well as flood protection to City residents.

Policy Considerations: City Council approval is required for agreements of \$250,000 or more per City Code 3.64.020.

Economic Impacts: None

Environmental Considerations: The Community Development Department, Environmental Services Manager has determined that the proposed activity is not a project pursuant to the California Environmental Quality Act (CEQA). The activity is a continuing administrative or maintenance activity involving the purchase of supplies and is not a project pursuant to CEQA Guidelines Section 15378(b). CEQA Guidelines Section 15060(c)(3). Future repair and maintenance activities at existing City facilities, that may utilize the purchased supplies, also would be exempt from CEQA review pursuant to CEQA Guidelines Section 15301.

Sustainability: The proper maintenance of water treatment plants and sump stations supports the goals of the City's Sustainability Master Plan by protecting sources of domestic water, enabling the safe conveyance of sewage, and providing flood protection.

Commission/Committee Action: Not Applicable

Rationale for Recommendation: DOU has an ongoing need to purchase Schneider Electric automation equipment and parts with Edges Electrical Automation. These purchases are necessary to maintain, repair and upgrade the infrastructure of the City's water treatment plants, wastewater lift stations, and drainage pumping stations.

City Code Section 3.56.230 allows the City Council to suspend competitive bidding when the City Council determines that it is in the best interest of the City to do so.

Suspension of competitive bidding is in the City's best interest because Edges Electrical Group is the only authorized local supplier for sales, support, and warranty of Schneider Electric automation products that has a Special Pricing Agreement (SPA) for the City of Sacramento. The SPA provides the lowest prices available, which are below typical distributor pricing. We have contacted the manufacture directly and they have confirmed the pricing we are receiving is the lowest available to any of their customers in our area.

Schneider Electric automation equipment and parts can only be obtained from authorized distributors and must match exactly to fit existing equipment. Edges is required by the manufacturer (Schneider Electric) to have its staff complete factory certification training annually. It not only supplies the City with the equipment, but also provides the City with security updates and technical support for all software and components.

The purchase of Schneider Electric automation equipment and parts will ensure continued water treatment, wastewater, and storm drainage system functionality, as well as flood protection to City residents.

Financial Considerations: Based on the City's purchase volume over the last three years, Schneider Electric has provided an SPA for the City with its distributor, Edges Electrical Group. The SPA will continue through the proposed contract term.

The proposed agreement is for a five-year term for a total amount not-to-exceed \$900,000. Sufficient funding is available in Fiscal Year 2020/21 DOU operating, Capital Improvement Program (CIP), and Multi-Year Operating Projects (MYOP) budgets. Funding for future fiscal years shall be subject to funding availability in the budget adopted for the applicable fiscal year.

There are no General Funds allocated or planned for this project.

Local Business Enterprise (LBE): Edges Electrical Group is not an LBE. The minimum LBE participation requirement is waived as the City is suspending competitive bidding and utilizing an alternate procurement method to select a vendor.