



**Board Operations and Engineering Committee
September 24, 2020**

SUBJECT:

Approve and Authorize Three, Six-Year Agreements for Medium Voltage Switchgear Maintenance and Repair Services in the Combined, Not-to-Exceed, Full-Term Total of \$960,000

BACKGROUND:

On July 20, 2020, Eastern Municipal Water District (District) received proposals for Medium Voltage Switchgear Maintenance and As-Needed Repair Services under Request for Proposals (RFP) No. 3307. A total of five proposals were received with Electric Power Systems International, Incorporated, of Santa Ana, California, Baker Electric, Incorporated, of Escondido, California, and Power Systems Services, Incorporated, of Chino, California providing the highest scoring submittals.

The District operates approximately 474 pieces of medium voltage electrical equipment requiring scheduled maintenance services at seven locations throughout the service area. Equipment includes three phase medium-voltage switchgear operating between 480 to 12,000 volts and consists of transformers, switchgear, motor controls, low and medium voltage circuit breakers, and associated feeders. Preventive maintenance services are performed on each piece of equipment over a two-year cycle. For this reason, agreements under this category of service cover a six-year period of three full maintenance cycles, versus the more common five-year contractual term.

The five firms identified in the table below were scored and ranked in accordance with prescribed criteria. The firms were evaluated by representatives from the Electrical Services, Water Reclamation, and Purchasing departments based on the following criteria:

1. Price
2. Firm Qualifications and Experience
3. Safety Record
4. Performance History
5. Contractual Exceptions
6. Work Approach

Evaluation Scoring Summary

Company	ABM Electrical Power Services, LLC	Baker Electric, Incorporated	CHW Enterprises, Incorporated	Electric Power Systems International,	Power Systems Services, Incorporated
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				Incorporated	
Preventive Maintenance Cost Per – 24 Month Service	\$307,639	\$372,085	\$405,524	\$139,885	\$271,898
Total Score	3.68	7.79	4.96	8.85	7.38
Overall Rank	5	2	4	1	3

Contracting Strategy

Previously, switchgear preventive maintenance services covering all District locations, except Temecula Valley Regional Water Reclamation Facility, and equipment were provided by a single firm. Corrective maintenance services were awarded separately outside the previously established agreement. However, over the upcoming six-year term staff recommends including corrective maintenance services in the agreement. To accommodate both types of maintenance activities, all preventive maintenance services will be awarded to Electric Power Systems International, Incorporated, (Electric Power Systems) the lowest cost and highest ranked firm. Corrective maintenance services will be issued to one of the top three scoring firms at staff discretion for work estimated up to \$20,000. Work estimated to be greater than \$20,000 will be separately competed amongst each of the three recommended firms. Staff anticipates this approach to result in increased levels of competition for repair or replacement needs and improvements in response time.

Selected Firms

Based on pricing and qualifications received in response to RFP No. 3307, Electric Power Systems International is recommended to perform scheduled preventive maintenance services under the aforementioned approach. Electric Power Systems has over 43 years of experience in testing industrial, utility, transit and data center low, medium, and high voltage equipment. The firm’s qualifications include testing, startup and commissioning services, substation examination, oil handling inspection, transformer assessments, Supervisory Control and Data Acquisition (SCADA) communications, arc flash studies, fault simulations, and engineering and system reviews. In addition, Electric Power Systems has over 30 offices throughout the United States and is capable of dispatching personnel from outside the region as may be needed.

In addition to Electric Power Systems, Baker Electric and Power Systems Services have been selected to compete on anticipated repair and installation projects as may occur over the coming six-year term. Baker Electric was formed in 1938 and is a full-service electrical contractor. The company has completed several large electrical and medium voltage projects for the District and is currently one of the District’s on-call electrical contractors. Power Systems is the District’s current medium voltage maintenance contractor and has provided services to the District for more than 20 years.

Projected Expenditures

The table below reflects projected expenditures over the next six years:

Summary of Six-Year Maintenance Expenditures

	Average Annual Expense	Total Six-Year Expenditure
Preventive Maintenance Services	\$70,000	\$420,000
Corrective Maintenance Services	\$90,000	\$540,000
Total Maintenance Services	\$160,000	\$960,000

Expenditures for both switchgear maintenance and repair services have averaged approximately \$75,000 per year over the past four years. Electrical Services and Water Reclamation staff project an increase in expenditures to an estimated \$160,000 per year due to additional testing and infrared thermography scans not previously required; the addition of the Temecula Valley Regional Water Reclamation Facility, which was not included in the existing contract due to recent capital improvement work; and several key service recommendations on aging equipment from the existing contractor. Pricing under the proposed agreements will remain fixed over the first two-years of the recommended term, with subsequent adjustments in cost limited to changes in the Consumer Price Index (CPI) and a maximum increase of three percent per year.

FINANCIAL IMPACT:

Funding for this item is provided for in the Biennial Budget for Fiscal Years 2019-20 and 2020-21.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Maintenance: Implement and manage preventative and predictive maintenance programs that enable a highly reliable operation of EMWD’s facilities and extend the useful life of assets.

ENVIRONMENTAL IMPACT:

None

RECOMMENDATION:

Approve and authorize the award of three, six-year contracts for medium voltage switchgear maintenance and repair services in the full-term, not-to-exceed total of \$960,000.

SUBMITTED BY:



Paul D. Jones II, P.E., General Manager

9/15/2020



Jeff D. Wall, P.E., Assistant General Manager

9/9/2020

10/07/20 Board Meeting

Staff Contact: Dan Howell, Jeff Wasserman