



Legislation Text

File #: 22-1532, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Option Year Two to Contract 20-339, Electric Equipment Painting, to BP&T Construction for an amount not to exceed \$450,000

DEPARTMENT: Electric Utility

SUBMITTED BY: Brian Groth, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The Electric Utility requires the services of a contractor for refurbishment of electrical equipment within the City of Naperville. These services include welding, patching, and painting to prolong the useful life and improve the aesthetics of utility-owned equipment.

The purpose of this contract is to maintain a contractor to provide refurbishment services for electrical equipment such as transformers, switches, and fuse cans. The City Manager awarded Contract 20-339 to BP&T Construction on December 12, 2020, for a one-year term from January 1, 2020 to December 31, 2021, with two, one-year options to extend. A change order to add \$200,000 to Contract 20-339 was approved by City Council on July 7, 2021, and option year 1 was approved by City Council on May 3, 2022, for an amount not to exceed \$300,000.

DISCUSSION:

During the term of the contract, BP&T Construction has performed painting of electrical equipment throughout the City of Naperville with concentration on high value switches and transformers the Electric Utility identified as requiring refurbishing and re-painting.

During the initial award, a total of 195 units were completed consisting of 166 switches and 29 transformers. During Option Year 1, a total of 151 units were completed consisting of 115 switches and 36 transformers and 162 holes patched. As the Utility continues to deal with supply chain constraints and increased equipment prices it has increased resources assigned to its asset management program and has begun refurbishing equipment that would have otherwise been replaced. This has led to significantly more patching being completed under this contract, which is more costly, leading to less units being completed this year.

BP&T Construction continues to be extremely efficient in their prepping, priming, and painting process. To preserve the integrity of the final product, BP&T Construction often worked longer hours than typically required to ensure a proper finish, which ultimately resulted in more units being

completed. To date there have been no deficiencies noted in the quality of work produced by BP&T Construction.

Based upon the vendor's performance, the Electric Utility would like to extend the contract for the 2nd option year. BP&T Construction has agreed to maintain the rates and terms provided for under the contract. Due to supply chain difficulties, additional staffing of utility's asset management program and generally finding units in poorer condition, the Electric Utility is requesting an increase of \$150,000 from 2022. Staff will work within the operational budget to offset this unbudgeted increase.

The term of the second option year is January 1, 2023 to December 31, 2023, with no option years remaining.

FISCAL IMPACT:

CIP#: N/A

Electric Equipment Painting is expensed to the Professional Services account listed below. A total of \$300,000 has been budgeted for this expense in 2023. With the additional request of \$150,000 due to supply chain and lead time issue this will be under budget for 2023. However it is anticipated that there will be underspending in other categories to off set this cost.

| Account Number | Fund Description | Total Budget Amount |
|-----------------------|-------------------------|----------------------------|
| 40251300-531309 | Electric Utility | \$392,500 |