



DATE: June 3, 2024
 TO: Angela Calvillo, Clerk of the Board
 FROM: Sailaja Kurella, Director of Office of Contract Administration (OCA) and Purchaser
 SUBJECT: Resolution to approve Peoplesoft Contract ID 1000032452 (TC 77550) for Citywide Electrical Supplies

Enclosed please find the proposed Resolution from the Office of Contract Administration (OCA), on behalf of the all City departments, requesting that the Board of Supervisors authorize Contract 1000032452 with Rexel USA, Inc. (“Rexel USA”) for Citywide Electrical Supplies. The proposed contract will have a not to-exceed (“NTE”) amount of \$26,200,000.¹ The contract will have an initial term of three (3) years, with the option to extend the term for four (4) additional years, for a total contract duration of seven (7) years. The anticipated contract start date is August 1, 2024. The proposed contract was competitively procured pursuant to Administrative Code 21.2, through an Invitation for Bids (IFB) issued by OCA on January 12, 2024 under Sourcing Event 0000008573, as a result of which Rexel USA was deemed the lowest responsible and responsive Bidder.

Background

Between 2018 and 2023, City departments encumbered approximately \$34.7 million dollars for the procurement of electric supplies.² The primary users of electrical supplies are the San Francisco Public Utilities Commission (“PUC”) and San Francisco International Airport (“AIR”). Based on this data, City departments have encumbered an average of \$5.8 million dollars for electrical supplies per year since 2018.

Table 1: Total Purchase Order Encumbrances by City Department between 2018-2023 for Electrical Supplies

Department	Grand Total	Annual Average
PUC	\$ 18,162,809	\$ 3,027,135
AIR	\$ 8,841,225	\$ 1,473,537
MTA	\$ 1,782,252	\$ 297,042
DPW	\$ 1,778,382	\$ 296,397
DT	\$ 945,810	\$ 157,635
REC	\$ 726,569	\$ 121,095
DPH	\$ 575,565	\$ 95,928
PRT	\$ 561,708	\$ 93,618
LIB	\$ 525,898	\$ 87,650
ADM	\$ 462,459	\$ 77,076
OTHER	\$ 295,110	\$ 49,185
	\$ 34,657,786	\$ 5,776,298

City departments procure Electrical Supplies through a combination of OCA Term Contracts, department issued

¹ This amount is based on City’s estimated spend over the full seven year term of the contract. As per the IFB, the amount can be increased should City’s estimated spend exceed its estimated spend can be increased should City’s estimated spend exceed its estimated spend.

² This amount is based on Purchase Orders issued to Alameda Electrical Distributors Inc. (Supplier ID 0000025976), Buckles-Smith Electric Co. (Supplier ID 0000023918) and Maltby Electric Supply Co. Inc. (Supplier ID 0000015861) during 2018, 2019, 2020, 2021, 2022 and 2023. OCA estimates that approximately \$460,000 of this total amount (approximately 1.3%) was for the procurement of related services such as electrical equipment testing, cleaning, maintenance and repair.



contracts and stand-alone purchase orders not associated with any contracts. However, as shown in Table 2 below, the bulk of these purchase (nearly 70%) is associated with Term Contracts established through OCA, making these contracts essential to maintaining City operations.³

Table 2: Total Purchase Order Encumbrances by City Departments between 2018-2023 for Electrical Supplies Using OCA Term Contracts

Procurement Type	Sum of Total PO Amount	% of Total
OCA Term Contracts	\$ 24,437,295	71%
Department Contract/Stand-Alone POs	\$ 10,220,490	29%
Grand Total	\$ 34,657,786	100%

Invitation for Bids (Sourcing Event 000008573)

In anticipation of the expiration date of OCA’s existing Term Contracts for electric supplies, OCA issued an Invitation for Bids (“IFB”) on January 12, 2024 (Sourcing Event 000008573). Sourcing Event 000008573 consisted of three (3) Aggregates. Each Aggregate was awarded based on a Bidder meeting the Minimum Qualifications of the IFB and being the lowest responsive Bidder based solely on price. A summary of the three Aggregates and corresponding awards is provided in Tables 3-5 below.

Table 3: Summary of Sourcing Event 000008573 Aggregate 1 Manufacturer Group

		Description	Bidders	Awarded
1	ABB INSTALLATION PRODUCTS, INC	Aggregate 1 consists of twelve (12) individual electrical supplies manufacturers which the City uses the most. Aggregate 1 was awarded <u>as a single aggregate</u> to the two (2) lowest responsive Bidders.	1. Rexel USA, Inc. 2. Alameda Electrical Distributors, Inc.	1. Rexel USA, Inc. 2. Alameda Electrical Distributors, Inc.
2	OLDCASTLE INFRASTRUCTURE INC			
3	ACUITY BRANDS LIGHTING			
4	FLUKE CORP			
5	SQUARE D			
6	COOPER B-LINE			
7	ENCORE WIRE CORP.			
8	SIEMENS INDUSTRY, INC.			
9	LUTRON ELECTRONICS CO			
10	RAB LIGHTING			
11	HUBBELL WIRING DEVIC - KELLEMS			
12	COOPER LIGHTING			

Table 4: Summary of Sourcing Event 000008573 Aggregate 2 Manufacturer Group

		Description	Bidders	Awarded
1	HELICORE, LLC	Aggregate 2 consists of seven (7) individual electrical supplies manufacturers which City uses regularly and one (1)	1. Rexel USA, Inc. 2. Alameda Electrical Distributors, Inc.	Rexel USA, Inc.
2	COOPER POWER SYSTEMS, LLC			Rexel USA, Inc.
3	HOLOPHANE - ACUITY BRANDS			Rexel USA, Inc.
4	3M DKY5714			Rexel USA, Inc.
5	ANIXTER			Rexel USA, Inc.

³ OCA’s two most recent and only remaining Term Contracts from which City departments can procure electrical supplies were approved by the Board of Supervisors under Files 23-1249 (expired on April 30, 2024) and 23-1250 (expiring on June 30, 2024).



		Description	Bidders	Awarded
6	MRC GLOBAL	“Miscellaneous Manufacturer Group” that consists of various manufacturers which the City uses the least. Aggregate 2 was awarded <u>per line item</u> to the lowest responsive Bidder.		Rexel USA, Inc.
7	ABB INDUSTRIAL SOLUTIONS			Rexel USA, Inc.
8	MISCELLANEOUS GROUP (297 Mfrs)			Rexel USA, Inc.

Table 5: Summary of Sourcing Event 0000008573 Aggregate 3 Individual Items

Aggregate 3 Individual Items Group	Description	Bidders	Awarded
Lines 1 - 258	258 Individual Items (high usage)	1. Rexel USA, Inc. 2. Alameda Electrical Distributors, Inc.	Rexel USA, Inc.

Aggregate 3 consists of 258 individual products which the City uses regularly and frequently.

Aggregate 3 was awarded as a single aggregate to the lowest responsive Bidder.

Award

Rexel USA was deemed the lowest responsive Bidder for all three Aggregates under Sourcing Event 0000008573.4 As per the IFB, should a Bidder be awarded more than one Aggregate, City will combine the awarded Aggregates into a single contract with an NTE equal to the combined NTE of all awarded Aggregates. Having won Aggregates 1, 2 and 3 under Sourcing Event 0000008573, Rexel USA’s contract is estimated to have an NTE of \$26,200,00 for its seven year term.

Table 6: NTE Calculations for Contract ID 1000032452 with Rexel USA

Rexel USA, Inc. (Contract ID 1000032452)	Advertised 3 Year Initial NTE	7 Year Estimate Based on Advertised NTE	7 Year Estimate Rounded to the nearest 100,000
Aggregate 1 Manufacturer Group	\$2,200,000	\$5,133,333	\$5,100,000
Aggregate 2 Manufacturer Group	\$6,050,000	\$14,116,667	\$14,100,000
Aggregate 3 Individual Items Group	\$3,000,000	\$7,000,000	\$7,000,000
Total Contract Not to Exceed Amount	\$11,250,000	\$26,250,000	\$26,200,000

Pricing Structure

Aggregates 1 and 2 of Sourcing Event 0000008573 were evaluated based on Bidder’s Discount off of or Mark-Up over Manufacturer List Price, which must be firm for the full contract term. Aggregate 3 was based on specific

⁴ As stated in Table 3, Aggregate 1 was awarded as a single aggregate to the two (2) lowest responsive Bidders. The second lowest responsive Bidder for Aggregate 1 was Alameda Electrical Distributors, Inc. which will also be awarded a contract valued at \$5,100,000.



pricing for 258 individual items. Pricing for these items can be adjusted annually. Rexel USA's pricing for each Aggregate is identified in Appendix B of Contract ID 1000032452.

Recommendation

This contract is vital in the management of Citywide electrical supplies purchases. Without this contract, the City would be at risk of not having adequate contracted capacity to manage its electrical supplies procurement. A timely approval of this resolution will provide City departments access to acquire electrical products through a comprehensive Citywide electrical supplies contract.

If you have any questions or require additional information, please contact Evan Magante on my team at (628) 652-1622.

Enclosures:

1. Contract 1000032452 Proposed Terms
2. Contract 1000032452 Ethics Form 126f(2)
3. Contract 1000032452 Ethics Form 126f(4)
4. Contract 1000032452 Resolution