



DATE: November 27, 2023
TO: Angela Calvillo, Clerk of the Board
FROM: Sailaja Kurella, Director of Office of Contract Administration (OCA) and Purchaser
SUBJECT: **Resolution to approve amendment to Term Contract 100005805 —Electrical Supplies and Fixtures with Buckles-Smith Electric Co.**

Enclosed is the resolution from the Office of Contract Administration (OCA) requesting that the Board of Supervisors authorize an amendment to Contract 100005805 (OCA Term Contract 77524) with Buckles-Smith Electric Company (Buckles-Smith) to increase the contract not-to-exceed (NTE) amount by \$2,053,132 for a total NTE of \$19,500,000.

Background

On April 17, 2017, OCA conducted a Low Bid solicitation for a Citywide as-needed contract for the purchase of electrical material, supplies and fixtures (Invitation for Bids # 77524). OCA received three responses, of which Buckles-Smith was deemed the lowest responsive bidder and was awarded an agreement with an initial contract NTE amount of \$5 million and duration of three years, from July 5, 2017 to June 30, 2020, with the option to extend the contract for an additional three years, through June 30, 2023.

The Buckles-Smith contract offers a wide variety of electrical supplies at significant cost savings to City departments by providing catalogue discounts off the company's extensive inventory. Discounts range from 15% to 99% off the offered manufacturers/brands and product types.

Due to utilization by City departments that has far exceeded OCA's anticipated spend on this contract, the contract has been amended seven times to date. A summary of all amendments to date is provided below:

- Amendment 1: Dated April 26, 2018, increased the contract not to exceed amount to \$7,000,000.
- Amendment 2: Dated February 4, 2020, extended the contract end date to June 30, 2021 and increased the contract not to exceed amount to \$8,500,000.
- Amendment 3: Dated October 2, 2020, extended the contract end date to June 30, 2022, and increased the contract not to exceed amount to \$9,500,000.
- Amendment 4: Dated August 13, 2021, increased the contract not to exceed amount to \$9,900,000.
- Amendment 5: Dated November 1, 2021 extended the contract end date to June 30, 2023, and increased the contract not to exceed amount to \$13,946,868. The amendment was approved by the Board of Supervisors under Resolution 524-21 on November 9, 2021.
- Amendment 6: Dated January 20, 2023, increased the contract not to exceed amount to \$16,946,868. The amendment was approved by the Board of Supervisors under Resolution 487-22 on November 15, 2022.
- Amendment 7: Dated March 10, 2023 extended the contract end date to June 30, 2024, pursuant to Admin Code Section 21.24 which authorized Departments to extend for a period of 12 months agreements for which no remaining purchasing authority existed and to increase the agreement NTE to reflect such extension. The amendment increased the contract not to exceed amount to \$17,446,868. Because this amount was within \$500,000 of the previously Board approved contract NTE, the amendment did not require Board approval.

Current Request

As stated above, the last amendment to this contract was in March 2023. The purpose of that amendment was to allow OCA

time to issue a new solicitation before the existing contract NTE was once again depleted. Numerous factors, however, have impeded OCA's ability to draft and complete a new solicitation in the anticipated timeline. These factors include constraints on accessing relevant usage data to ensure better estimation for the next award and staffing limitations given OCA's total volume of work relative to its staffing levels. At this time, therefore, OCA is requesting to increase the contract NTE amount by \$2,053,132 for a total NTE of \$19,500,000. OCA expects to issue a new solicitation in early 2024 with new contracts in place by June 2024. This increase in NTE will ensure City departments can continue to use this contract through its end date of June 30, 2024 while OCA works to replace it.¹ The basis for OCA's revised NTE is provided below:

Estimated Need Based on Data Available as of September 2023 (Based on Annual Avg 2017-2023)	
Total Spend	\$ 17,289,971
Avg Monthly Spend	\$ 231,192
Total Remaining Months Until Contract End Date of 6/30/24	8
Total Needed for Remaining Months	\$ 1,839,197
Available Contract Balance in PeopleSoft	\$ 156,897
Contingency (15%)	\$ 275,880
Total Additional Funds Needed through Contract End Date	\$ 1,958,180
Current NTE	\$ 17,446,868
Revised NTE	\$ 19,405,048
Revised NTE (Rounded)	\$ 19,500,000
Amount to be Added	\$ 2,053,132

Summary

The Buckles-Smith contract offers a wide variety of electrical supplies at significant cost savings to City departments by providing catalogue discounts off the company's extensive inventory. Discounts range from 15% to 99% off the offered manufacturers/brands and product types. This contract is critical for satisfying City departments' needs for essential electrical products. Approval of this resolution will allow City departments to continue procuring these goods in a streamlined and cost-efficient manner.

If you have any questions or require additional information, please contact Annyse Acevedo on my team at (628) 652-1648.

Enclosures:

1. Resolution for TC#77524
2. S.F. Ethics Commission form 126f4, Notification of Contract Approval
3. TC#77524 Electrical Supplies Agreement
4. TC#77524 Electrical Supplies Agreement – Modification 1 TC#77524 Electrical Supplies Agreement – Modification 2 TC#77524 Electrical Supplies Agreement – Modification 3 TC#77524 Electrical Supplies Agreement – Modification 4 TC#77524 Electrical Supplies Agreement – Modification 5 TC#77524 Electrical Supplies Agreement – Modification 6 TC#77524 Electrical Supplies Agreement – Modification 7
5. TC#77524 Electrical Supplies Agreement – DRAFT Modification 8

¹ Although we have one other electric contract (Contract ID 1000023404 with Alameda Electric Co), it too is almost out of capacity and will also be submitted to the Board for an increase.