

## **Board of Supervisors Memorandum**

## April 15, 2014

Bestway Electric Motor Service Company, Inc. Appeal of Procurement Director Decision to Cancel and Re-solicit IFB 106981, Pump Repairs

## Background

On November 20, 2013, at the request of the Regional Wastewater Reclamation Department (RWRD), the Procurement Department published a solicitation for pump repair services for multiple brands of pumps to replace a contract with Phoenix Pumps. This is the fourth year of an originally intended five-year contract, and the current term expires October 30, 2014. The solicitation utilized technical specifications developed and provided by RWRD staff for 27 different brands and 99 models of above-ground and submersible pumps and required that all replacement parts be provided by an authorized representative of the original equipment manufacturer (OEM).

A pre-bid meeting was held on November 27, 2013. Six solicitation addenda were subsequently issued to address respondent questions and correspondence; extend and clarify the repair process specifications; and provide additional information such as motor horsepower, phase, voltage and frame specifications for the bid list items.

Two bids were received; Bestway Electric Motor Service Company (\$441,163) and Laron, Incorporated (\$426,364). Laron's bid was determined to be non-responsive as not all items were bid. A Notice of Recommendation for Award (NORFA) to Bestway was issued March 14, 2014.

Phoenix Pumps, the current contracted pump repair services provider, did not submit a bid. They filed a protest on March 18, 2014 requesting that the recommendation for award be cancelled and the solicitation be reconstructed because the solicitation did not provide sufficient details (specifications) for them to acquire current pricing from the OEM representatives. Phoenix Pumps specifically referenced two of the OEM authorized representatives for three brands of pumps from which they could not obtain pricing information: JCH, which represents Flygt pumps; and Hennesey, which represents WEMCO and Moyno pumps. They stated that both were unable to identify a number of the parts required to obtain accurate pricing, and RWRD and Procurement staff affirmed that condition.

On March 25, 2014, the Procurement Director issued notice to Phoenix Pumps and all Interested Parties granting the Phoenix Pumps protest; that the NORFA and IFB 106981 would be cancelled and a new solicitation developed with improved specifications.

The Honorable Chair and Members, Pima County Board of Supervisors

Re: Bestway Electric Motor Service Company, Inc. Appeal of Procurement Director

Decision to Cancel and Re-solicit IFB 106981, Pump Repairs

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On March 31, 2014, Bestway filed an Appeal with the Clerk of the Board requesting that the Board of Supervisors set aside the Procurement Director's decision to cancel the current solicitation and award a contract for Pump Repairs to Bestway pursuant to their bid.

## Report

As evidenced by the multiple addenda, although RWRD staff expended significant effort to provide the information required for <u>all</u> potential respondents to identify the required bid items and acquire OEM pricing, that objective was not achieved. Further, the solicitation should have been extended and the specifications corrected or the solicitation cancelled prior to the receipt of bids.

Bestway acknowledges in their appeal that they..."submitted pricing after researching information on pumps that we have repaired in the past for the County...", information not available to other potential respondents. It is possible the information is for pumps different than the particular models included in this solicitation. Additionally, that pricing may not be equivalent to that provided by the OEM representative to all service providers.

The specifications contained in the solicitation did not comprehensively provide all of the information required for respondents to accurately bid and unintentionally relied on respondents to research parts previously provided in order to identify certain bid line items or to speculate what the required items might be. This scenario did not provide for a level playing field.

#### Recommendation

I recommend the Board of Supervisors uphold the Procurement Director's decision to cancel the current solicitation, IFB 106981, and direct staff to obtain the necessary information to accurately re-solicit the requirements for pump repairs.

Respectfully submitted,

C. Pullulter

C.H. Huckelberry
County Administrator

CHH/mjk – April 9, 2014 Attachments

c: John Bernal, Deputy County Administrator for Public Works George Widugiris, Director, Procurement Jackson Jenkins, Director, Regional Wastewater Reclamation



## phoenix pumps, inc.

6100 S. 36th Street • Phoenix, AZ 85040 • Phone: 602.232.2994 • Fax: 602.232.2995 www.phoenixpumps.com • AZ License #ROC245283

March 18, 2014 RED 7/12/14

Mr. George Widugiris
Pima County Procurement Department
130 W Congress Street, 3<sup>rd</sup> Floor
Tucson, AZ 85701

Re: Solicitation #106981, Pump Repairs

Dear Mr. Widugiris,

We are filing a formal protest of award in accordance with Pina County Procurement Code under section 11.20 for the above solicitation.

It is our firm belief that this solicitation lacked the proper information needed to compile a complete and fair bid. This solicitation covers over 90 different models/types of pumps with over 50% of them still lacking the proper identification in the bid to properly bid those items. Since the beginning of this solicitation, we have been trying to get the needed information so we could properly assemble our bid (see attached correspondence). We went as far as to place all of the items on a spreadsheet, which was forwarded to procurement, to make it easier for seeking out the information.

Also, it is required that all pumps be repaired with the use of OEM parts which can only be supplied by the factory appointed representative for that particular state/area. Two of the factory appointed representatives, JCH (Distributor for the Flygt brand) and Hennessy (Distributor for both the WEMCO and Moyno brand), could not bid us the needed parts due to the lack of information supplied in the solicitation (see attached correspondence).

Based on the above statements and attached correspondence it is our firm believe that the bids received could not be an apples to apples bid and most likely unfair to both the bidders and Pima County. It would only make sense that those who did bid this solicitation took a big chance and most likely bid higher prices to cover the unexpected driving up the cost of repairs.

As you can see from the attached correspondence, we have put considerable amount of time and effort into defining the requirements of this solicitation and fully expected an additional addendum clarifying our questions/concerns which did not take place.



## PHOENIX PUMPS, INC.

6100 S. 36th Streat • Phosnix, AZ 85040 • Phone: 602.232.2994 • Fax: 602.232.2995 www.phoenixpumps.com • AZ License #ROC245283

We are asking that this solicitation not be awarded but reconstructed to include all of the needed information to protect all those involved and be rebid to provide Pima County with what could be better/lower pricing and bidders with the protection of knowing what is involved in the repair, i.e. this was an unfair bid due to the lack of information as stated above.

We appreciate the opportunity to present the above for consideration and the opportunity to be of service to Pima County. Should you have any further questions, please do not hesitate to contact me at (602) 790-3684.

Thank you and have an awesome day !!!

Brent A Bonnett | Phoenix Pumps, Inc. | 8632 N Moonfire Dr., Tucson, AZ 85743

O: 602-232-2994 | M: 602-790-3684 | F: 520-396-3689 | ACL: ROC245283

E: bbonnett@PhoenixPumps.com | W: www.PhoenixPumps.com |

W2: www.ShopPumps.com



## PROCUREMENT DEPARTMENT

130 W. CONGRESS ST., 3rd FLOOR MAILSTOP DT-AB3-126 TUCSON, ARIZONA 85701-1317 TELEPHONE (520) 724-8161, FAX (520) 222-1484

March 25, 2014 -

Mr. Brent A. Bonnett
Phoenix Pumps, Inc.
8632 N. Moonfire Dr.
Tucson, AZ 85743
Via email: bbonnett@phoenixpumps.com

RE: Protest of Solicitation Number 106981, Pump Repairs

Dear Mr. Bonnett.

I received your letter dated March 18, 2014 protesting the recommendation for award of solicitation # IFB 106981 for Pump Repairs. The award of contract will be deferred until the protest process is completed,

Your protest is based on your belief that the solicitation lacked the proper information needed to compile a complete and fair bid. Additionally, you state that two of the OEM factory appointed representatives could not provide a bid to you for the needed paris due to lack of information included in the solicitation.

After review and research by our client Department, Regional Wastewater & Reclamation Department (RWRD) and our Procurement Contracts Officer, I have determined that although significant effort was made to satisfy all requests and enable qualified vendors to submit bids, the solicitation documents did not define all details required for all Respondents to accurately and responsibly bid all items.

Your protest is hereby granted. The solicitation and initial Notice of Recommendation for award will be cancelled, and a new solicitation will be developed and published.

You may appeal this decision to the Board of Supervisors by filling an appeal with the Clerk of the Board within five business days of the date of this written decision pursuant to Pima County Procurement Code section 11.20.010.H. If you file an appeal with the Board of Supervisors, the Board will consider the protest at a regularly scheduled meeting within 30 days of this decision. The Board may, with or without a hearing, either accept this decision or determine an appropriate remedy.

Sincerely,

L. George Widugiris, C.P.M. Procurement Director

Copy: T. Finefrock

H. Houston W. Kelth

Interested Parties

# Bestway Electric Motor Service Co., Inc.

728 S. CAMPBELL AVE. TUCSON, AZ 85719 / PH. (520) 884-9141 / FAX (520) 884-1850 / ROC180818

March 31, 2014

Robin Brigode, Clerk

**Pima County Board of Supervisors** 

130 W Congress 5th Floor

Tucson, Arlzona 85701

Via e-mail to robin.grigode@pima.gov

### Dear Ms. Brigode:

This letter is written to appeal the decision made by L. George Widugiris (Pima County Procurement Director) to Brent Bonnet of Phoenix Pumps, Inc., and to request a hearing before the Pima County Board of Supervisors. Mr. Widugiris intends to defer the Recommendation for Award of Bid 106981 titled Pump Repairs, because of the letter of protest submitted by Brent Bonnet. Copies of both letters are included herein.

Bestway Electric Motor Service Company, Inc. was recommended for award the Invitation For Bid 106981. The Procurement Department received two bids from local, qualified repair facilities. Bestway Electric Motor Service was the only company to attend the Pre-Bid Conference on November 27, 2013, the purpose of which, per the County is for "clarifying requirements and answering prospective respondent questions. It is the responsibility of Prospective Respondents to familiarize themselves with all requirements of the solicitation and to identify any issues at the conference." Phoenix Pumps, Inc. did not attend the Pre-Bid Conference, nor did they submit a formal bid to this solicitation.

Mr. Bonnet's complaint was that the County did not include complete pump information in Solicitation 106981. If any prospective respondent had an advantage in knowing the complete pump information, it was the author of the protest letter, whose employer held the prior contract with Pima County for four consecutive years! We submitted pricing after researching information on pumps that we have repaired in the past for the County and other customers, and we also requested information from local pump distributors for parts pricing on various brands of pumps. Bestway Electric Motor put a tremendous amount of time into researching this information in order to produce and submit a bid that is advantageous to both the County and to our Company. We submitted conservative price estimates especially, because we knew that Phoenix Pumps, inc. had held the contract for four years and would

have empirical prior knowledge and experience working on the county's pumps. Phoenix Pumps Inc. is a distributor for thirty four percent (eight of the twenty-four brands) of pumps listed in this solicitation.

Since Bestway Electric and Laron inc. submitted bids to invitation For Bid 106981, our prices have now become available to the public. If this invitation goes out to be re-bid again, any other interested parties now have the unfair advantage of being informed of the hourly rates and unit prices which we submitted in a sealed bid.

Again, I am requesting to be heard at the earliest meeting of the Pima County Board of Supervisors, and request that the contract be awarded to the lowest qualified bidder responding to invitation For Bid # 106981, namely Bestway Electric Motor Service co., Inc.

Sincerely,

Raymond W. Kothé

President

Bestway Electric Motor Service Company, Inc.



HENNESY KECHANICAL SALES

February 26, 2014

TO: Mr. Paul Miller Bestway Electric

RE: Pima County IFB 106981 Pump Repairs

Dear Paul.

We have seen the bid documents and all six addendum and we are prepared to support your efforts as the local repair partner to service Pima County on the specific items within the solicitation. We are the sole sourced supplier on the named Fairbanks, Wemco and Moyne/Monoflo pumps.

In the case of the Womco C and CE pumps we were able to determine the serial numbers involved and we provided the associated typical repair parts. We also were able to identify two of the named Fairbanks pumps.

The remaining Wemco and Moyno/Monoflo and Fairbanks pumps require us to obtain the serial number to be able to provide the correct parts, we cannot simply guess.

We are willing to allow Bestway Electric to obtain the required OEM parts at the same pricing level that we are currently under contract to with Pima County. This will help to keep costs down for Pima County and assure them of obtaining OEM parts.

While Hennesy Mechanical Sales services everything we sell, we also realize the importance of having a local service center for being able to offer prompt service and that is why we ourselves are not bidding this solicitation but prefer to work through Bestway Electric.

If there is anything we can do beyond what is listed here to support your efforts please do not hesitate to contact me.

Sincerely.

Jefferson (Jef Vice President Sales

Hennesy Mechanical Sales

201 South 25th Street Phoenix, Arizona 85034

802.998.9444 Fax: 602.996.9408

Albuquerque, NM 505,220,5908

AZ/NM/TX Toll Free: 800.841.8148

Email: saiss@hennesvmech.com www.honnosymech.com

### Hazel Houston

From:

Paul Miller < PMiller@bestwayelectric.com>

Sent:

Friday, March 21, 2014 5:09 PM

To:

Hazel Houston

Subject:

Re: Clarification on Bid Information for 106981 Pump Repairs

This is well stated and accurate

Sent from my iPhone

On Mar 21, 2014, at 4:58 PM, "Hazel Houston" < Hazel Houston@pima.gov > wrote:

Good Afternoon,

I received a copy of the letter from Hennesy Mechanical Sales to Bestway Electric dated February 26, 2014, regarding the research and pricing associated with your bid response for Pump Repairs.

I would like to confirm and/or clarify the following information that we discussed over the phone this afternoon:

Information on some of the pumps was missing on the bid document. This included the serial numbers, RPM's, HP and/or frame size. You were able to obtain the additional information needed to complete the bid from several sources, including the OEM representatives, maintenance records on Pima County equipment from the previous contract Bestway was awarded for pump repairs, additional research from the internet and similar work provided to your other clients. The unit pricing Bestway submitted is competitive and is based on the research, maintenance records and extensive knowledge that you have obtained during the many years Bestway has been in the pump repair business.

Please advise me if this information is accurate or if you have any additional information relevant to this solicitation.

Thank you,

Hazel D. Houston, CPPB Pima County Procurement 130 W. Congress, 3<sup>rd</sup> Floor Mailstop # DT-AB3-126 Tucson, AZ 85701 520.724.8168 520.791.6507 Fax