



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of February 14, 2017  
Action Item for the City Council Meeting of February 21, 2017

---

**DATE:** February 14, 2017

**TO:** Margie C. Rose, City Manager

**FROM:** Dan Grimsbo, Interim Director of Utilities  
[DanG@cctexas.com](mailto:DanG@cctexas.com)  
(361) 826-1718

Kim Baker, Assistant Director of Financial Services-Purchasing Division  
[KimB2@cctexas.com](mailto:KimB2@cctexas.com)  
(361) 826-3169

### **Maintenance and Calibration Service Agreement with Hach Company**

#### **CAPTION:**

Motion authorizing City Manager, or designee, to execute a service agreement with Hach Company, of Loveland, Colorado for maintenance and calibration services as a sole source for a total amount not to exceed \$422,713.80, with an estimated expenditure of \$79,838.27 in FY2016-2017. The term of the agreement is for three 12-month periods with an option to extend for up to two additional 12-month periods at the sole discretion of the City.

#### **PURPOSE:**

The purpose of this agreement will provide on-call general maintenance and calibration services for Hach instruments at the O.N. Stevens Water Treatment Plant.

#### **BACKGROUND AND FINDINGS:**

The City currently utilizes 17 classification types of Hach instruments, of which multiple instruments are located within O.N. Stevens Water Treatment Plant and Water Quality Division. Hach Company provides maintenance and calibration services on Hach online instrumentation for the plant and water quality sites through individual service agreements. Staff recommends consolidating the various agreements to one for a comprehensive standard preventative maintenance and service plan to be more cost effective and efficient in managing cost and services.

**ALTERNATIVES:**

None

**OTHER CONSIDERATIONS:**

Not applicable.

**CONFORMITY TO CITY POLICY:**

This purchase conforms to the City’s purchasing policies and procedures and State statutes regulating procurement.

**EMERGENCY / NON-EMERGENCY:**

Non-emergency.

**DEPARTMENTAL CLEARANCES:**

Utilities Department - Water

**FINANCIAL IMPACT:**

X Operating       Revenue       Capital       Not applicable

<b>Fiscal Year: 2016-2017</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget	\$804,540.45	\$342,875.53	\$1,147,415.98
Encumbered / Expended Amount	\$361,120.61	\$0.00	\$361,120.61
This item	\$79,838.27	\$342,875.53	\$422,713.80
<b>BALANCE</b>	\$363,581.57	\$0.00	\$363,581.57

Fund(s): Water

**Comments:** The initial contract term is a total amount not to exceed \$136,865.60 the first 12-month period, with an estimated expenditure of \$79,838.27 to be funded in FY2016-2017. The total estimated contract value will be \$704,523.00 if all options years are executed.

**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Service Agreement