



AGENDA MEMORANDUM

Action Item for the City Council Meeting December 16, 2025

DATE: December 16, 2025

TO: Peter Zanoni, City Manager

FROM: Juan Rivera, Interim Director of Asset Management
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<p>Generator Preventive Maintenance and Emergency Repair for Facilities</p>
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CAPTION:

Motion authorizing execution of a one-year service agreement, with two one-year options, with American Generator Services, LLC, of Corpus Christi, in an amount not to exceed \$503,845.06, with a potential up to \$1,511,535.18 if options are exercised, for generator preventive maintenance and emergency repairs at City facility locations for the Asset Management Department, with FY 2026 funding of \$100,000.00 from the Facility Maintenance Fund.

SUMMARY:

This item is to approve a service agreement with American Generator Services, LLC, of Corpus Christi for generator preventive maintenance and repairs for City owned facility locations. These services are necessary to protect the generators from deteriorating and ensure facilities have electrical service during an emergency. The preventative services will be provided on a yearly basis, and repairs will be provided on an as needed basis.

BACKGROUND AND PURPOSE:

Asset Management is currently maintaining 37 generators, with capacities ranging from 18kW to 500kW, located at various sites throughout the city. This contract is to service 25 generators of various manufacturers. The remaining 12 generators are covered under an existing contract with Cummins. The City has generators over 350kW that support the City's critical buildings, including City Hall, the Corpus Christi Police Department (CCPD) headquarters, the Health District Building, and Development Services.

This service agreement will perform annual preventative services on generators exceeding 350kW. This service agreement will also handle any type of repair, which includes but is not limited to engine replacements, Automated Transfer Switch (ATS), block heaters, computer engine diagnostics, on-board chargers, or any repair that cannot be handled by the Facilities electrical staff. Repair services are performed on an as-needed basis under individual projects that will be based on unit prices. The service agreement will ensure that the generators are always in optimal condition, ready to provide backup power when needed. With regular preventative maintenance and quick repair services, the critical facilities such as City Hall, CCPD Headquarter, Emergency Operation Center (EOC) will remain operational during power outages or weather hazard conditions.

An alternate option is to obtain a separate repair agreement when needed. This approach would lead to significant costs and require an extended period of time. The process includes developing a repair scope, and subsequently engaging in the procurement procedure, which may take approximately 1 to 2 months before an agreement is executed. It is important to have a contractor readily available to address any issues with the generators, preventing any potential interruptions in service. The service agreement also includes an allowance for generator rentals for emergencies.

The Contractor shall furnish labor, parts, materials, tools and equipment necessary to perform generator preventative maintenance and repairs to designated City owned generators. The work performed must be accomplished in a manner that meets all applicable specifications, trade standards and provisions, and federal, state, local codes and regulations. The contractor is responsible for removing existing material and disposing of all waste materials.

PROCUREMENT DETAIL:

Finance & Procurement conducted a Request for Bid (RFB) process to obtain bids. The City received three responsive, responsible bids. The qualifications and experience of the bidders were evaluated by City staff. Staff recommends the award to the lowest, responsive, and responsible bidder, American Generator Services, LLC of Corpus Christi because of their extensive experience with over 350kW generators. American Generator currently has a contract with CCW. Their performance received positive feedback by City staff.

There is an increase of 8.6%, or \$39,975.06, in the bid amount from America Generator Services, LLC, compared to the previous solicited contract in 2023. This increase in bid amount is attributed to the rising cost of materials and labor.

ALTERNATIVES:

The alternative would be to not secure a long-term service agreement; however, the Asset Management Department would have to contact a vendor on as needed basis. That would leave generators not getting regular preventive maintenance and quick repair services, which would result in increased risk of generator failure and potential downtime for critical city operations.

FISCAL IMPACT:

The FY 2026 fiscal impact is an amount up to \$100,000.00. The remaining costs will be budgeted in future years during the annual budget process.

FUNDING DETAIL:

Fund:	5115
Organization/Activity:	40300
Department #: Project #	12
(CIP Only): Account:	530215
Amount:	\$100,000.00

RECOMMENDATION :

Staff recommends the approval of this agreement with American Generator, LLC of Corpus Christi, Texas for generator preventative maintenance and repairs for Asset Management, as presented.

LIST OF SUPPORTING DOCUMENTS:

Service Agreement
Bid Tabulation