



AGENDA MEMORANDUM

Future item for the City Council Meeting of September 10, 2013
Action item for the City Council Meeting of September 17, 2013

DATE: September 10, 2013

TO: Ronald L. Olson, City Manager

FROM: Michael Barrera, Assistant Director of Financial Services
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Pump & Motor Repairs

CAPTION:

Motion approving a service agreement with Smith Pump Company, Inc., Woodway, Texas, based on best value, in accordance with Request for Proposal BI-0120-13, for an estimated annual expenditure of \$664,260 of which \$553,550 is budgeted in FY 2013/2014. The term of the agreement will be for one year and will automatically be extended for up to two additional one-year periods, subject to the approval of the service provider and the City Manager or designee. Funds have been budgeted by the Water Department in FY 2013/2014.

PURPOSE:

This service will provide the repairs necessary to ensure the pumps and motors at the O. N. Stevens Water Treatment Plant and in the City's distribution system are in good working order.

BACKGROUND AND FINDINGS:

Large-volume pumps and motors are used at the O. N. Stevens Water Treatment Plant to move raw water into and treated water through the City's potable water system. Ensuring this equipment is properly serviced and repaired, when necessary, is integral to the proper operation of the Plant and to providing the City with a clean, safe and dependable potable water supply.

ALTERNATIVES:

Continue to secure these services on a repair-by-repair basis. However, this alternative results in City personnel costs and delays in repairs associated with obtaining bids. This agreement will eliminate those costs and delays by securing the services under contract.

OTHER CONSIDERATIONS:

None

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State statutes

regulating procurement.

EMERGENCY / NON-EMERGENCY:

Not Applicable

DEPARTMENTAL CLEARANCES:

Water Department

FINANCIAL IMPACT:

X Operating Revenue Capital Not applicable

Fiscal Year: 2013-2014	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$700,000.00	\$110,710.00	\$810,710.00
Encumbered / Expended Amount		\$73,214.13	\$0.00	\$73,214.13
This item		\$553,550.00	\$110,710.00	\$664,260.00
BALANCE		\$73,235.87	\$0.00	\$73,235.87

Fund(s): Water

Comments: The \$553,550.00 financial impact shown above represents ten (10) months of payments that will be encumbered through the end of this fiscal year. The remaining \$110,710.00 for the last two (2) months of the service agreement will be requested for future fiscal years during the normal budget process.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Summary Evaluation Matrix

Service Agreement