



AGENDA MEMORANDUM

Action Item for the City Council Meeting of October 15, 2019

DATE: October 01, 2019

TO: Peter Zaroni, City Manager

FROM: Kevin Norton, Director of Water Utilities
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Service Agreement for Preventative Maintenance and Parts for the Five Emergency Generators at O.N. Stevens Water Treatment Plant and Sand Dollar Pump Station

CAPTION:

Resolution authorizing a five-year service agreement with Cummins Southern Plains, LLC dba Cummins Sales and Service of Arlington, Texas, for a total amount not to exceed \$296,755.00, for preventative maintenance and purchase of parts for the five Cummins emergency generator sets located at O.N. Stevens Water Treatment Plant and Sand Dollar Pump Station, effective upon issuance of notice to proceed, with the first-year funding in the amount of \$59,351.00 available through the Water Fund.

SUMMARY:

This item is to approve a service agreement for preventative maintenance, purchase of parts and materials and labor for the five Cummins emergency generator sets at O. N. Stevens Water Treatment Plant and Sand Dollar Pump Station, for a total amount not to exceed \$296,755.00. One of the generators was purchased this year 2019, and three were purchased in 2000 for the O.N. Stevens Water Treatment Plant. The generator located at Sand Dollar Booster Pump Station was purchased in 2002.

BACKGROUND AND FINDINGS:

The O. N. Stevens Water Treatment Plant and the Sand Dollar Pump Station are equipped with alternate generator sets. The generator sets are crucial for emergency power to keep the water system operational during power outages.

The O. N. Stevens Water Treatment Plant and the Sand Dollar Pump Station alternate power generator sets have proprietary controllers and software that provide

synchronization and proper power distribution for the generators.

This is a sole source purchase. Cummins Southern Plains, LLC dba Cummins Sales and Service is the exclusive factory-certified provider and service representative for Texas and Oklahoma.

ALTERNATIVES:

Since this is a sole source provider, an alternative would be to have this company provide emergency on-call services when a generator stops functioning. The generator equipment requires specialized technicians that the City does not have.

FISCAL IMPACT:

The financial impact is \$59,351.00 for fiscal year 2020, with the remaining cost of \$237,404.00 budgeted in future years through the annual budget process, for a five-year service agreement with Cummins Southern Plains, LLC dba Cummins Sales and Service of Arlington, Texas, for preventative maintenance and purchase of parts for the five Cummins emergency generator sets located at O.N. Stevens Water Treatment Plant and Sand Dollar Pump Station.

FUNDING DETAIL:

Fund:	4010 Water Fund
Organization/Activity:	31010 Stevens Filter Plant
Mission Element:	062 Treat Water
Project # (CIP Only):	N/A
Account:	530230 Equipment Maintenance

RECOMMENDATION:

Staff recommends approval of this resolution authorizing a five-year service agreement with Cummins Southern Plains, LLC dba Cummins Sales and Service of Arlington, Texas, for preventative maintenance and purchase of parts for the five Cummins emergency generator sets as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Price Sheet
Service Agreement