



AGENDA MEMORANDUM

For the City Council Meeting of June 12, 2012

DATE: June 12, 2012
TO: Ronald L. Olson, City Manager
FROM: Mike Barrera, Assistant Director of Financial Services
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361-826-3169

Replacement radiator for back-up generator.

CAPTION:

Motion approving the purchase of one replacement radiator for an Onan Generator from Cummins Southern Plains, San Antonio, Texas for a total amount of \$63,483.65. The equipment is used by the City's Water Department, O.N. Stevens Water Treatment Plant on an emergency backup generator. Funds are budgeted in the Water Department operations budget in FY11/12.

BACKGROUND AND FINDINGS:

The generator is one of three used by the O.N. Stevens Water Treatment Plant to provide back-up power to the plant in the event of power outage due to a storm, lightning strike or other disaster. Pricing includes labor to remove the existing radiator, delivery and installation of the new radiator, start up and testing.

ALTERNATIVES:

None

OTHER CONSIDERATIONS:

The manufacturer has indicated that radiator cores are made to order parts only. Lead time is a minimum of 30 to 60 days from receipt of purchase order. Hurricane season begins June 1, 2012. Therefore it is critical to order this equipment in a timely manner.

CONFORMITY TO CITY POLICY:

This procurement is exempt from the competitive bidding statutes as a sole source for captive replacement parts. Cummins Southern Plains is the sole source distributor for this replacement radiator.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Water Department

FINANCIAL IMPACT:

Operating

Revenue

Capital

Not applicable

Fiscal Year: 2011-2012	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$659,843.00		\$659,843.00
Encumbered / Expended Amount		\$462,876.88		\$462,876.88
This item		\$63,483.65		\$63,483.65
BALANCE		\$133,482.47		\$133,482.47

Fund(s): Water Fund

Comments: None

RECOMMENDATION:

City Staff recommends approval of the motion as presented

LIST OF SUPPORTING DOCUMENTS:

Price Sheet.