



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of February 17, 015
Second Reading Ordinance for the City Council Meeting of February 24, 015

DATE: February 17, 2015

TO: Ronald L. Olson, City Manager

FROM: Gabriel Maldonado, Interim Procurement Manager
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Purchase and Installation of one (1) Boat Crane at the Marina

CAPTION:

Ordinance appropriating \$260,000 from the unreserved fund balance of the No. 4700 Marina Fund for the replacement of a boat crane; changing the FY2014-2015 Operating Budget adopted by Ordinance No. 030294 by increasing appropriations by \$260,000; approving the purchase and installation of a boat crane from 1st On-Site Services, LLC, based on sole source, for a total amount of \$252,150; and providing for severance.

PURPOSE:

The boat crane will be used at the Corpus Christi Marina Boatyard in support of operations. It will become a part of a full service marina, creating additional revenue for the Marina Enterprise Fund. The City will receive a trade-in-value of \$15,000 from 1st On-Site Services L.L.C. for the old Marina boat crane (Travelift 15 ton), thus reducing the total amount to \$252,150.

BACKGROUND AND FINDINGS:

The boat crane has been in constant operation at the Corpus Christi Marina since 1981. An unexpected failure due to metal fatigue became a concern to safe boatyard operations and could no longer function in its intended purpose of removing/launching boats from marina waters. The company producing spare parts recently shut down. Marine Travelift decided not to seek alternate part manufactures of these unique older model spare parts due to minimal sales, thus the certified crane inspectors were unable to certify the Travelift Boat Crane for safe operation.

Operations include:

- Full service Marina offering out of the water boat repair and maintenance service
- Boat slip leasing
- Disposal of abandoned boats
- Saving Sinking boats

- Loading and unloading boats arriving and departing from the Corpus Christi marina nationwide
- Allowing Surveys to be performed on boats for purposes for condition and damage
- Hurricane preparation in assisting in the evacuation of boats to safer locations

ALTERNATIVES:

Not applicable.

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:

Marina

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2014-2015	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$260,000.00	\$0.00	\$260,000.00
Encumbered / Expended Amount		\$0.00	\$0.00	\$0.00
This item		\$252,150.00	\$0.00	\$252,150.00
BALANCE		\$7,850.00	\$0.00	\$7,850.00

Fund(s): 4700 Marina Fund

Comments:

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

- Ordinance
- Price Sheet
- Service Agreement