



AGENDA MEMORANDUM

Future Item for the City Council Meeting of July 25, 2017
Action Item for the City Council Meeting of August 8, 2017

DATE: July 25, 2017

TO: Margie C. Rose, City Manager

FROM: Dan Grimsbo, Interim Director of Utilities
DanG@cctexas.com
(361) 826-1718

Kim Baker, Assistant Director of Financial Services, Purchasing
KimB2@cctexas.com
(361) 826-3169

Pump and Motor Repairs for Water Utilities Department
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CAPTION:

Motion authorizing City Manager, or designee, to execute a service agreement with Smith Pump Company, Inc., of Woodway, Texas for pump and motor repairs in response to Request for Bid (RFB) No. 1048 based on the lowest, responsive, responsible bid for a total amount not to exceed \$301,230, with an estimated expenditure of \$50,205 in FY2016-2017 funded by the Water Department Fund. The term of the agreement is for one year with an option to extend for up to two additional one-year periods, subject to the sole discretion of the City.

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 and treated water through the City's potable water system. Ensuring this equipment is properly serviced and repaired, when necessary, is essential to the proper operation of the Plant and to providing the city with a clean, safe and dependable potable water supply.

The Purchasing Division conducted a competitive RFB process to obtain bids for a new contract. The City received three responsive, responsible bids, one no bid and one nonresponsive bid out of 83 notifications issued. Staff is recommending the award to the lowest, responsive, responsible bidder, Smith Pump Company, Inc.

ALTERNATIVES:

None

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:

Utilities Department - Water

FINANCIAL IMPACT:

☒ Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$329,416.20	\$251,025.00	\$580,441.20
Encumbered / Expended Amount	\$0.00	\$0.00	\$0.00
This item	\$50,205.00	\$251,025.00	\$301,230.00
BALANCE	\$279,211.20	\$0.00	\$279,211.20

Fund(s): Water

Comments: The initial contract term total is \$301,230.00, of which \$50,205.00 is funded in FY2016-17. The total estimated contract value will be \$903,690 if all options years are executed.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Service Agreement
Bid Tabulation