



Agenda Item No. _____

File Code No. _____

CITY OF SANTA BARBARA

DRAFT

COUNCIL AGENDA REPORT

AGENDA DATE: August 4, 2009
TO: Mayor and Councilmembers
FROM: Water Resources Division, Public Works Department
SUBJECT: Approval Of Single Source Vendor For Back-Up Power Generators At Water Resources Facilities

RECOMMENDATION: That Council:

- A. Find it to be in the City's best interest to approve Quinn Corporation, Inc. (Quinn), as the vendor for maintenance, repair, upgrades, and new installation of Caterpillar generators at Water Resources Facilities, without bids, as authorized by Municipal Code Section 4.52.080 (k); and
- B. Authorize the Public Works Director to award purchase order contracts to Quinn for such services and equipment as needed for the next five-year period.

DISCUSSION:

Water Resources has benefited from using Caterpillar generators for emergency back-up power at their critical facilities since the early 1980's. Standardizing on generators has provided Water Resources with efficient and reliable emergency power supplies, at a cost savings by having to stock minimal spare parts and specialized tools, along with allowing staff to focus their training on a single generator system. Caterpillar generators are known to be durable and reliable, which are important qualities for an emergency power source.

Quinn is the only local certified dealer who is authorized to supply and maintain Caterpillar generators. Using a local dealer provides the City with a quick response time for maintenance and repairs of the generators. The Water Resources Division has existing maintenance and repair contracts with Quinn for Fiscal Year 2010 for the William B. Cater Water Treatment Plant (\$13,125), El Estero Wastewater Treatment Plant (\$15,000), Water Distribution System (\$15,000), and Wastewater Collection System (\$10,000).

Water Resources is planning to install two new generators for emergency backup power at the El Cielito and Campanil Pump Stations. With the recent fires and power outages, the Caterpillar generators and the Quinn service provider have proven their value to the City. Staff believes it is in the City's best interest for Water Resources to continue with Quinn's service and Caterpillar generators for emergency power at the Water Resources facilities.

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Section 4.52.080 (k) of the Municipal Code authorizes Council to purchase supplies, equipment and services without complying with the formal bid procedure when it is found to be in the best interests of the City. Quinn has provided reliable repair and maintenance services to the City since 1993. Staff recommends that Council approve Quinn as the vendor and service provider of Caterpillar generators for Water Resources facilities for a period of five years.

If a new local company becomes available that is certified and authorized to maintain, repair, and install Caterpillar generators, the City reserves the right to obtain a competitive quote for labor and maintenance costs and issue purchase orders to the new company.

BUDGET/FINANCIAL INFORMATION:

All monies to be spent on Quinn generator projects have been clearly identified and approved in the annual budget for the Water Fund. Starting in Fiscal Year 2010, there will be approximately \$450,000 associated with the two new generator installations planned for El Cielito and Campanil Pump Stations, and approximately \$53,125 for the maintenance and repair contracts for existing Caterpillar equipment. Water Resources expenditures on Quinn purchase orders will not exceed the amounts Council has approved in the budget.

At their meeting on July 13, 2009, the Board of Water Commissioners voted to concur with staff's recommendation.

PREPARED BY: Catherine Taylor, Water System Manager/dm

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office