TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER DEPARTMENT: PUBLIC WORKS
DATE: APRIL 7, 2008 CMR:188:08

SUBJECT: APPROVAL OF A WATER FUND PURCHASE ORDER WITH GENERATOR SERVICES COMPANY, INC. IN AN AMOUNT NOT TO EXCEED $251,222 FOR THE PURCHASE OF THREE PORTABLE GENERATOR SETS TO PROVIDE BACKUP POWER FOR WATER WELL SITES AND LIFT STATIONS, CAPITAL IMPROVEMENT PROGRAM PROJECT WS-07004

RECOMMENDATION
Staff recommends that Council approve and authorize the City Manager or his designee to execute a purchase order with Generator Services Company, Inc. in the amount of $251,222 for the purchase of three used 400-kilowatt portable generator sets. The generator sets will be used to provide emergency backup power to water well sites and lift stations operated by the Utilities Department, Water-Gas-Wastewater Division.

DISCUSSION
Water Fund Capital Improvement Program (CIP) project WS-07004 authorizes the replacement of three 25-year old portable generator sets currently in place at City well sites. These generators are at the end of their useful life and do not have sufficient capacity to power the newly-rehabilitated well sites, which include upgraded well pumps. Since these generators are intended to provide emergency backup power, they experience very low utilization. Because of this low utilization, the purchase of brand-new generators is not necessary. The most economical approach in this case is to purchase used generators (2004 model year or newer, with less than 3,000 operating hours) from the rental market.

A Request for Quotation (RFQ) for three used 400-kilowatt portable generators was sent to seven vendors on March 3, 2008. Bids were received from two qualified vendors on March 18, 2008, as listed on the attached bid summary (Attachment A). Bids ranged from a high of $336,110 to a low bid of $251,222. Vendors not responding indicated that they did not submit a bid because they did not have generators available that met the City’s requirements.

Staff has reviewed all bids submitted and recommends that the bid submitted by Generator Services Company be accepted and that Generator Services Company be declared the lowest responsible bidder.

Staff has checked references supplied by the vendor for previous contracts and has found no significant complaints. The Certification of Nondiscrimination is Attachment B.
**RESOURCE IMPACT**
Funds have been budgeted for this purchase order in Water Fund CIP project WS-07004.

**POLICY IMPLICATIONS**
Authorization of the contract does not represent any change to the existing policy.

**ENVIRONMENTAL REVIEW**
The generator sets being supplied are in conformance with all applicable emissions laws and regulations. Purchase of emergency generators is not a project requiring environmental review under California Environmental Quality Act Guidelines, Section 15061.

**ATTACHMENTS**
Attachment A: Bid Summary
Attachment B: Certification of Nondiscrimination

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