Legislation Details (With Text)

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Title:	AUTHORIZATION TO EXTEND AGREEMENT TERMS AND APPROVE EXPENDITURE OF FUNDS FOR THE PURCHASE OF EQUIPMENT, REPAIRS AND MAINTENANCE FROM JAMES, COOKE AND HOBSON INC. Staff Contact: Craig Johnson, P.E., Director, Water Services				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	1. JCH_2015 signed Amendment No. 2.pdf, 2. JCH_Sole source documents.pdf				

Date	Ver.	Action By	Action	Result
3/24/2015	1	City Council	approved	Pass

AUTHORIZATION TO EXTEND AGREEMENT TERMS AND APPROVE EXPENDITURE OF FUNDS FOR THE PURCHASE OF EQUIPMENT, REPAIRS AND MAINTENANCE FROM JAMES, COOKE AND HOBSON INC.

Staff Contact: Craig Johnson, P.E., Director, Water Services

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to extend the agreement terms to contract C-8410 and approve expenditure of funds for the three remaining annual extensions for James, Cook and Hobson, Inc. (JCH) for the purchase of equipment, repairs and maintenance in an amount not to exceed $750,000 ($250,000 annually for contract extension 2 through 4).

Background

The city has various pumps and chemical mixers in use at the Cholla Water Treatment Plant, Arrowhead Ranch and West Area Water Reclamation Facilities. The pumps and mixers work jointly to move water or sewage through the water treatment or wastewater reclamation processes. Due to operational necessity additional equipment and repairs are needed from time to time.

JCH Flygt equipment is specialized and proprietary with special tools and facilities required for service and maintenance. The city does not have the capability, tools, or expertise to repair and maintain this specialized equipment. JCH is the sole source provider for Flygt pumps and parts.

Analysis

Having contracted on-call service providers allows for immediate repairs to critical production equipment and redundancy of outside services. Immediate repairs allow the sites to maintain full capacity production and

continue to remain in compliance with state and federal regulatory requirements.

Materials Management has reviewed and approved the sole source procurement request for James, Cook and Hobson, Inc. The approval is based on conformity to the existing equipment and service.

This action will authorize the City Manager to extend the agreement annually, as needed, through February 28, 2018.

Previous Related Council Action

On May 27, 2014, Council authorized the City Manager to increase the agreement with JCH in an amount not to exceed $250,000 for pump and mixer equipment, repairs and service.

On March 26, 2013 Council authorized the City Manager to enter into an agreement with JCH in an amount not to exceed $150,000 for pump and mixer equipment, repairs and service.

Budget and Financial Impacts

Funding for the remainder of the fiscal year in the amount of $170,000 is available in the Water Services FY 2014-15 operating budget as shown below. Funding for the remainder of this extension and the two one-year extensions in the amount of $580,000 is contingent upon Council approval of future fiscal years operating budgets. The fiscal year expenditure of funds is not to exceed an amount of $250,000.

Cost	Fund-Department-Account
$50,000	**2360-17160-523400, Arrowhead Reclamation Plant**
$70,000	**2360-17170-523400, West Area Reclamation Plant**
$50,000	**2400-17260-523400, Cholla Water Treatment Plant**

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?

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