



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

**1. Agenda Item Number:**

22

**2. Council Meeting Date:**

June 26, 2014

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** June 6, 2014

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Municipal Utilities

**5. SUBJECT:** Amendment No. 1 to Agreement No. MU3-936-3112 with Valleywide Generator Service, for Generator Maintenance.

**6. RECOMMENDATION:** Staff recommends City Council approval of Amendment No. 1, extending Agreement MU3-936-3112 with Valleywide Generator Service, for Generator Maintenance, for a two-year period, in a total amount not to exceed \$335,210.

**7. HISTORICAL BACKGROUND/DISCUSSION:** Stand-by generators are located at facilities throughout the City and require on-going maintenance and repair. Agreement No. MU3-936-3112 provides for periodic maintenance, inspection, and load bank testing. This agreement ensures the generators are performing at the rated kilowatt capacity and the additional contingency funding covers any unforeseen repairs that may be necessary.

**8. EVALUATION PROCESS:** On August 16, 2012, City Council awarded Agreement No. MU3-936-3112 for generator maintenance to Valleywide Generator Service. The agreement was awarded for a two-year term, ending August 31, 2014, with the option to extend for an additional two-year period. The Contractor has agreed to extend the agreement. Staff has been satisfied with the service and recommends extending the agreement.

The term of this amendment will be September 1, 2014, through August 31, 2016. This is the first and final two-year extension of the agreement.

**9. FINANCIAL IMPLICATIONS:**

Costs: \$335,210

Savings: N/A

Long Term Costs: N/A

**Fund Source:**

The annual amounts for each cost center listed below are for scheduled maintenance. The requested amount includes an additional \$100,000, per year, for unforeseen repairs. These additional funds are evenly allocated in the Water Operating fund, account 605.3860.5419.0.0, and the Wastewater Operating fund, account 615.3960.5219.0.0. The accounts that exceed the dollar amount allocated below shall use funds from these Water and Wastewater Operating budgets on a case by case basis.

<u>Account Number</u>	<u>Fund Name</u>	<u>Program Name</u>	<u>CIP Funded</u>	<u>Amount</u>
605.3860.5419.0.0	Water Operating	Other Equipment Maintenance R&M	No	81,715
615.3900.5219.0.0	Wastewater Operating	Other Prof./Contract Svcs.	No	4,580
616.3930.5219.0.0	WW Industrial Process Treatment	Other Prof./Contract Svcs.	No	810
615.3940.5419.0.0	Wastewater Operating	Other Equipment Maintenance R&M	No	2,230
615.3960.5219.0.0	Wastewater Operating	Other Prof./Contact Svcs.	No	54,055
635.4100.5419.0.0	Airport Operations	Other Equipment R&M	No	1,320
101.3300.5419.0.0	General Fund	Other Equipment Maintenance R&M	No	3,560
101.3200.5410.0.0	General Fund/Building & Facilities	Buildings R&M	No	<u>19,335</u>
			Total per year:	\$167,605
			Grand Total (2 years):	\$335,210

**10. PROPOSED MOTION:** Move City Council approve Amendment No. 1 to Agreement No. MU3-936-3112 with Valleywide Generator Service, for Generator Maintenance, for a two-year period, in a total amount not to exceed \$335,210.

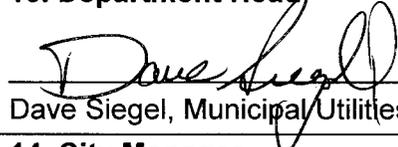
**ATTACHMENT:** Amendment No. 1

**APPROVALS**

**11. Requesting Department**

  
John Knudson, Utilities Engineering Manager

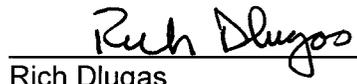
**13. Department Head**

  
Dave Siegel, Municipal Utilities Director

**12. Procurement Officer**

  
Mike Mandt, CPPB

**14. City Manager**

  
Rich Dlugos

AMENDMENT NUMBER, ONE  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER  
AND  
VALLEYWIDE GENERATOR SERVICE  
FOR GENERATOR MAINTENANCE  
AGREEMENT NO. MU2-936-3112

This Amendment #1 to that certain Agreement Between the City of Chandler (CITY) and Valleywide Generator Service (CONTRACTOR) for generator maintenance dated, August 20, 2012 is entered into this 17 day of April, 2014.

WHEREAS, the parties have agreed to extend the agreement;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a two-year period, September 1, 2014 through August 31, 2016;
2. Paragraph 4 is amended to read as follows:  
"PRICE: City shall pay to CONTRACTOR an amount not to exceed **Three Hundred Thirty-Five Thousand Two Hundred Ten Dollars (\$335,210)** for completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit C, attached hereto and made a part hereof by reference."
3. All other terms and conditions of the above-referenced contract shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this \_\_\_\_\_ day of APRIL 17, 2014.

CITY OF CHANDLER:

By: \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

City Attorney OH

ATTEST:

\_\_\_\_\_  
City Clerk

CONSULTANT:

By: Richard J. Clements Jr.

Title: OWNER / PARTNER

ATTEST: (If corporation)

\_\_\_\_\_  
Secretary

WITNESS: (If individual or Partnership)

Kari Anderson

SEAL