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**Title:** Award a purchase contract in the amount of \$305,735.63 for one Ideal Electric Type “SAB” 2647 KVA Horizontal Brushless Synchronous Generator (Bid File 3399) and authorize the Purchasing Manager of the Finance Department or designee to issue a purchase order to Leete Generators (Council District 3).

**Sponsors:** Department of Public Utilities

**Indexes:**

**Code sections:**

**Attachments:** 1. 3399BidEval.pdf

Date	Ver.	Action By	Action	Result
7/16/2015	1	City Council	approved	Pass

**REPORT TO THE CITY COUNCIL**

**July 16, 2015**

**FROM:** THOMAS C. ESQUEDA, Director  
Department of Public Utilities

**THROUGH:** STEPHEN A. HOGG, Assistant Director  
Department of Public Utilities - Wastewater Management Division

**BY:** TIMOTHY J. TOMPSETT- Provisional Chief of Wastewater Facilities Maintenance  
Department of Public Utilities - Wastewater Management Division

**SUBJECT**

Award a purchase contract in the amount of \$305,735.63 for one Ideal Electric Type “SAB” 2647 KVA Horizontal Brushless Synchronous Generator (Bid File 3399) and authorize the Purchasing Manager of the Finance Department or designee to issue a purchase order to Leete Generators (Council District 3).

**RECOMMENDATION**

Staff recommends that the Council award a contract to Leete Generators for one Ideal Electric Type “SAB” 2647 KVA Horizontal Brushless Synchronous Generator.

**EXECUTIVE SUMMARY**

The Department of Public Utilities (DPU), Wastewater Management Division, advertised for one Ideal Electric Type "SAB" 2647 KVA Horizontal Brushless Synchronous Generator. Due to the specialized nature of 12,000 volt generators there are a limited number of vendors available to supply this item. One bid proposal was received, from Leete Generators for \$305,735.63. This bid is responsible and is responsive to the intent of the specifications. Staff recommends the City Council to accept this bid.

## **BACKGROUND**

The City of Fresno ("City") utilizes a steam turbine generator to produce electricity from steam created from the exhaust heat of the combustion gas turbines. This "combined cycle" approach maximizes the efficiency of power generation at the Wastewater Management Division's power generation facility. Due to the large power and heat requirements of the City's Regional Wastewater Reclamation Facility (RWRF) power expenses are offset by utilizing a turbine driven cogeneration facility generating power from methane gas supplied by anaerobic digesters. Power and steam are generated by the turbines and further optimization is realized by capturing the excess steam and powering a steam turbine generator. This steam generator suffered a catastrophic failure. The generator was sent for evaluation and quote for repair. The City Council approved this repair on February 26, 2015. Once the repairs were started additional damage was revealed. The unexpected damaged resulted in significant additional costs rendering the repair as non-cost-effective. Technical specifications were developed to secure a replacement generator. A Notice Inviting bids was published April 1, 2015, posted on the City's website and faxed to ten (10) Building Exchanges. The specifications were submitted to twenty-three (23) prospective bidders. One (1) sealed bid was received and publicly opened on April 21, 2015.

Staff has determined that Leete Generator of Santa Rosa, California is the lowest responsive and responsible bidder with a submitted bid of \$305,735.63. The staff determination was posted on the City's website on May 19, 2015. Staff recommends that the City Council award a contract in the amount of \$305,735.63 to Leete Generators of Santa Rosa, California as the lowest responsive and responsible bidder.

## **ENVIRONMENTAL FINDINGS**

By the definition provided in the California Environmental Quality Act Guidelines Section 15378 this agreement does not meet the definition of a "project" and is therefore exempt from the California Environmental Quality Act (CEQA) requirements.

## **LOCAL PREFERENCE**

Local preference was not implemented because there was only one bidder.

## **FISCAL IMPACT**

This project has no impact to the General Fund and is located in Council Districts 3. Funds in the amount of \$305,735.63 are available and appropriated in the 2016 Wastewater Enterprise Fund No. 40501. The fiscal impact of this award would be \$305,735.63.

Attachment:

Evaluation of Bid Proposals