



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Purchase of Two Portable Air Compressors for Electric Utility and Water/Wastewater Divisions

MEETING DATE: October 2, 1991

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council purchase two portable air compressors for the Electric Utility and Water/Wastewater Division from Edward R. Bacon Co., Sacramento, California, for the amount of \$25,574.46.

BACKGROUND INFORMATION: Funds to purchase the two air compressors were approved in the 1991-1992 budget for both Electric Utility and the Water/Wastewater Division to replace existing units. While preparing specifications it was discovered that one potential bidder had two "almost new" rental units available for purchase with minimum hours on each. Both units meet the City's requirements completely, and would be furnished with full warranties as new equipment. The price of each 185cfm compressor (at \$11,612.00 and \$12,123.00, plus tax) is approximately \$500.00-\$1,400.00 less than we would expect to pay if formal bids are received.

The same model portable air compressor was purchased two years ago (7/21/89) at a cost of \$13,356.00 (\$12,600.00 plus tax), from the low bidder out of Fresno, California. While under warranty a problem developed with the unit. It was very difficult to get the closer Sacramento firm to complete repairs since the manufacturer's policy is to not reimburse a dealer for warranty work unless they are the seller.

Since these units will match the currently owned one, their operation and service requirements will be familiar to field crews and maintenance staff. Dealing with the closest vendor will prevent a reoccurrence of out-of-area warranty problems. Finally, saving \$1,000.00-\$2,300.00 in purchase costs warrant these be bought as in the best interest of the City, waiving the formal bidding procedure in this instance. The Purchasing Officer concurs with this recommendation.

NOTE: Necessary tools, hoses, and associated requirements will be purchased separately from within the balance of budgeted funds.

APPROVED. _____

Thomas A. Peterson
THOMAS A. PETERSON

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FUNDING: Originally Budgeted: \$20,000/\$16,700
Budgeted Funds: 16.1-680.39-500 at \$20,000 (Utility)
17.1-012.36-500 at \$ 8,350 (Wastewater)
18.1-012.36-500 at \$ 8,350 (Water)
Total Project Estimate: \$20,000


Jack L. Ronsko
Public Works Director

Prepared by Dennis J. Callahan, Building and Equipment Maintenance Superintendent

JLR/DJC/lm

cc: City Attorney
Purchasing Officer
Building and Equipment Maintenance Superintendent
Water/Wastewater Superintendent
Assistant Electric Utility Director

RESOLUTION NO. 91-181

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE BID FOR THE PURCHASE OF TWO PORTABLE AIR COMPRESSORS
FOR THE ELECTRIC UTILITY AND WATER/WASTEWATER DIVISIONS

WHEREAS, todi Municipal Code, Section 3.20.070, authorizes dispensing with bids for the purchase of supplies or property when it is in the best interests of the City to do so; and

MOW, THEREFORE, BE IT RESOLVED, the Lodi City Council hereby approves the purchase of two "almost new" portable air compressors for the Electric Utility and Water/Wastewater Divisions from Edward R. Bacon Co., Sacramento, California for the amount of \$25,574.46, as provided for in the 1991-92 12 Equipment Budget account, at a savings to the City of \$1,000 - \$2,300 over the cost of new equipment.

Dated: October 2, 1991

I hereby certify that Resolution No. 91-181 was passed and adopted by the City Council of the City of Lodi in a regular meeting held October 2, 1991 by the following vote:

Ayes : Council Members - Pennino, Pinkerton, Sieglock,
Snider and Hinchman (Mayor)

Noes : Council Members - None

Absent: Council Members - None


Alice M. Reimche
City Clerk