



REQUEST FOR BOARD ACTION

BOARD MEETING DATE: Tuesday, February 8, 2022

REVIEWALS:

Public Works Street Department: Complete
Public Works Director: Complete
City Administrator: Complete

SUBJECT:

2022 Public Works Building Generator

LIST OF ATTACHED REFERENCE DOCUMENTS:

2022 Public Works Generator Bids:

- | | |
|-----------------------|-------------|
| 1. Schaeffer Electric | \$29,985.00 |
| 2. Bates Electric | \$29,488.00 |

FISCAL IMPACT:

2022 Budgeted Amount (CIP) for Generator Replacement:	\$35,000.00
Bates Electric 25KW Natural Gas Generator:	\$29,488.00
Natural Gas Line Installation:	\$2,360.00
7 year Warranty	\$850.00
One year Service Agreement	\$650.00
Total Cost:	<u>\$33,348.00</u>

BACKGROUND/DISCUSSION:

The Public Works Street Department advertised for bids for the replacement of the building generator that is original to the 24 year old Public Works Building/Garage. Bids were solicited per the city purchasing policy on January 3rd, 2022 with a bid closing date of January 31st 2022. Bids received were sealed until opening date on January 31st, 2022 at 10:00 am. Bids were received from Bates Electric and Schaeffer Electric for the full replacement of the generator and automatic transfer switch with instillation. The bids were for either a diesel generator or a natural gas generator. Bates Electric submitted bids for both options; Schaeffer Electric only submitted a diesel generator option.

Over the years of owning the diesel generator, we have had many diesel fuel leaks, as well as higher engine maintenance costs and parts availability issues. The automatic transfer switch (ATS) has failed and cost approximately \$6,000 to repair due to replacement parts being unavailable for the current unit.

With research, we have the understanding that this is a good opportunity for the City to have a green option for a generator. Natural gas burns fuel cleaner than a diesel engine omitting less greenhouse gasses. The natural gas unit never needs to have an onsite fueling truck to try and access our small/tight lot for refueling purposes as the unit will be connected to the Public Works Garage Buildings gas connection. This unit also requires less maintenance than a diesel engine which results in lower cost of operations/ownership. This unit is also rated at 5kw more power than the diesel units proposed.

STAFF RECOMMENDATION:

Staff recommends Board of Aldermen approval of the contract with Bates Electric Inc. for the purchase of the 25KW natural gas generator, natural gas line installation, service agreement and warranty at a cost of \$33,348.00. Bates Electric Inc. offered the lowest and best price on the generator unit.

MEETING HISTORY:

N/A