



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Authorize the Issuance of a Blanket Purchase Order to Peterson Power Systems, Inc. for Power Generator Rentals (F19-191)

REPORT IN BRIEF

Approval is requested to authorize the issuance of a blanket purchase order with Peterson Power Systems, Inc. (Peterson) of San Leandro in the amount of \$103,200 for the rental of power generators at the Department of Public Safety (DPS) headquarters. Approval is also requested to delegate authority to the City Manager to renew the blanket purchase order for an additional one-year period, not to exceed budgeted amounts.

EXISTING POLICY

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, City Council approval is required for the procurement of goods and/or services exceeding \$100,000 in any one transaction.

Further, Section 2.08.070(b)(3) authorizes the purchase of goods and/or services to be exempted from the competitive bidding requirements when the solicitation of bids or proposals would be impractical, unavailing or impossible.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environmental.

BACKGROUND AND DISCUSSION

On June 26, 2018, Council approved a budget modification for the rental of emergency backup generators until the existing generators are replaced (RTC No.18-0498). While the specifications and procurement of a design consultant were being completed for the permanent replacement generators, the City Manager authorized, within his authority, a blanket purchase order for a one year period for the rental of the emergency generators.

Council awarded a design contract to Advanced Design Consultants, Inc. (ADC) on May 7, 2019 (RTC No. 19-0436) and the Notice to Proceed was issued on June 10, 2019. The design of the project is anticipated to be completed in one year and bid for the construction project will take place thereafter. These rentals are anticipated to continue until the construction contract is awarded which is currently scheduled for Summer 2020. Upon the award of the construction contract, the contractor will assume the responsibility of the rental generators. Therefore, it is requested that the City Manager be delegated the authority to renew or modify this contract, within budgeted amounts, until the construction contractor is prepared to assume this responsibility. Staff will be conducting some load testing on the existing generator. If the load testing is successful, staff may end the contract for the rental generators early.

FISCAL IMPACT

Funding for this contract is included in the General fund as part of Project 833750- Public Safety Emergency Generator Replacement.

Funding Source

The project is funded by the City's General Fund.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Take the following actions:

- Authorize the issuance of a blanket purchase order to Peterson Power Systems, Inc. in the amount of \$103,200, in substantially the same form as Attachment 1 to the report; and
- Authorize the City Manager to modify or renew the blanket purchase order for one (1) additional one-year period, not-to-exceed budgeted amounts.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Chip Taylor, Director of Public Works
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Draft Blanket Purchase Order