

TO: James L. App, City Manager
FROM: Jim Throop, Administrative Services Director
SUBJECT: Budget Appropriation Confirmation
DATE: July 6, 2010

NEEDS: For the City Council to approve documentation of budget appropriations for approved capital projects and emergency purchase of the Centennial Pool Heater.

FACTS:

1. Two capital projects (see attached) were previously approved and funded by City Council.
2. The resolutions approving the projects inadvertently excluded specific budget account number references as required by generally accepted accounting standards.
3. Action is necessary to document specific to/from budget account transactions for the two projects.
4. The Centennial Pool heater stopped working at the end of April 2010, days before the Lewis Middle School was to begin their spring swimming session.
5. A pool heater replacement was found and using the City's Emergency Purchasing Condition, a replacement heater was purchased.
6. Funds for the purchase were available in the City/School Facility Repair Fund. This fund is to be used to repair facilities and equipment that is used by both the City and the School District, such as the Centennial Pool.
7. Action is necessary to document budget appropriation for this emergency purchase.

ANALYSIS &

CONCLUSION: Two previously approved capital projects, the Mechanical Bar Screens for the WWTP and the City Hall A/C Replacement have funding available, as mentioned in the original staff reports and resolutions. However, the actual verbiage appropriating the funds from the particular sources was inadvertently omitted from the documents. This resolution will document the proper budgetary appropriation to the two projects.

The funding sources are:

1. Mechanical Bar Screens at the WWTP - \$202,400 from 601-310-5222-164
2. Removal/Replacement of City Hall A/C system - \$154,300 from 119-910-5452-175

The Centennial Pool Heater failed in late April 2010 just days before the Lewis Middle School was to begin their spring swim sessions. According to the City's Purchasing Policy an emergency purchase may be approved if there will be an interruption in an essential service or a threat to the public health, safety and welfare. A replacement heater was found and delivery and installation could be made within the necessary time-frame.

The cost of the heater and installation was \$33,100. Funding is available in the City/School Repair fund. This fund was created to assist in helping repair facilities that are shared between the City and the School District. The fund, prior to the heater purchase, had approximately \$50,000 in reserves. This purchase is an appropriate expense for this fund.

Centennial Pool Heater Replacement - \$33,100 from 116-910-5452-172

**FISCAL
IMPACT:**

No new fiscal impact for the two previous projects. The City/School Repair has approximately \$50,000 available for the pool heater replacement. No General Fund monies will be used.

OPTIONS: a. Adopt Resolution approving line-item budget appropriations for the following capital projects:

1. Mechanical Bar Screens at the WWTP - \$202,400 from 601-310-5222-164
2. Removal/Replacement of City Hall A/C System - \$154,300 from 119-910-5452-175
3. Centennial Pool Heater Replacement - \$33,100 from 116-910-5452-172

- b. Amend, modify, or reject the above option



KNORR SYSTEMS, INC.

2221 Standard Ave., Santa Ana, CA 92707 * (714)754-4044 * FAX (714)754-1405

INVOICE

INVOICE NUMBER: SI111085

INVOICE DATE: 04/30/10

PAGE: 1

SOLD TO: CITY OF PASO ROBLES KAREN ATTN: ACCOUNTS PAYABLE 625 RIVERSIDE PASO ROBLES, CA 93446		SHIP TO: CITY OF PASO ROBLES CHARLES LORENZEN DELIVERED BY JOHN GORDON PASO ROBLES, CA	
CUSTOMER ID P8519	CUSTOMER PO 10PW-155	PAYMENT TERMS NET 30	
SALES REP ID 07	SHIPPING METHOD KSI PERSONNEL	SHIP DATE	DUE DATE 05/30/10

QUANTITY	ITEM NUMBER	DESCRIPTION	UNIT PRICE	EXTENSION
1	HS-039-00022	CPN1801 W/VERTICAL BYPASS HIGH EFFICIENCY POOL HEATER. BTU INPUT NAT GAS - 1,800,000. VENT SIZE - 14" INCLUDES: CUPRO-NICKLE HEAT EXCHANGER WITH BRONZE REAR HEADER, PUMP DELAY AND MAINTENANCE TIMER, FLANGED ENDS, AUTO PUMPED CPVC BYPASS, CODE CONTROLS, FLOWSWITCH AND MRHL	16,639.00	16,639.00
1		FURNISH LABOR AND MATERIAL FOR THE REMOVAL AND DISPOSAL OF THE EXISTING HEATER, LABOR AND MATERIAL FOR THE COMPLETE INSTALLATION OF THE ABOVE CPN1801 SWIMMING POOL HEATER. S/N#D10H00225520	14,237.00	14,237.00

APPROVED FOR PAYMENT

Budget Acct. # _____

Vendor # _____

Amount to Pay \$ _____

Date _____

Signature _____

10PW155

APPROVED FOR PAYMENT

Budget Acct. # ~~100~~ 116-910-5452-172

Vendor # 347

Amount to Pay \$ 33,048.72

5-17-10 Date

Signature

<p>All returns must be accompanied by an authorization number and shipped freight prepaid. RETURNS WILL BE SUBJECT TO A MINIMUM 20% RESTOCKING CHARGE.</p> <p>WARNING - PROPOSITION 65 COMPLIANCE STATEMENT: IT IS THE RESPONSIBILITY OF THIS BUSINESS TO WARN ITS CUSTOMERS THAT PRODUCTS SOLD OR USED ON ITS PREMISES MAY CONTAIN CHEMICALS KNOWN TO THE STATE OF CALIFORNIA TO CAUSE CANCER OR BIRTH DEFECTS. MATERIAL SAFETY DATA SHEETS (MSDS) AVAILABLE UPON REQUEST.</p>	<p>Subtotal: 30,876.00</p> <p>Freight: 800.00</p> <p>Invoice Discount: 0.00</p> <p>Total Sales Tax: 1,372.72</p> <p>TOTAL DUE: \$ 33,048.72</p>
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18% A.P.R. is charged on all past due invoices.



City of El Paso de Robles

"The Pass of the Oaks"

1000 Spring Street, Paso Robles, CA 93446
(805) 237-3999 Fax (805) 237-6565

This number must appear on all invoices, cartons, packing slips, bills of lading & correspondence.

PURCHASE ORDER

No. 10 PW - 155

VENDOR:

Knorr Systems Inc
2221 S STANDARD AVE
SANTA ANA CA 92707

SHIP TO:

City of Paso Robles
Public Works Dept, ATTN: Ditas Esperanza
1000 Spring Street
Paso Robles, CA 93446

Vendor Number		Order Date	Date Required	Terms	
347		04/21/10			
Part Number and/or Description	Taxable	Qty	Balance Tracking	Non-Taxable Amount	Taxable Amount
Lochinvar model CPN1801 natural gas swimming pool heater and necessary equipment for Centennial Park pool					31,000.00
Balance Tracking / Notes			Payments against PO		
Balance Remaining:			0.00		
Account Distribution			\$ -		
Account Number	%	Amount	8.25% Sales Tax:		
100.310.5221.174		\$ 35,000.00	Freight		
			Purchase Order Total		
			\$ 35,000.00		
			IMPORTANT		
			1. Acknowledge Receipt of Order		
			2. Advise Definite Ship Date		
			3. Confirm Pricing		
			Buyer reserves the right to cancel any order not completed within specified time. All prices shall be F.O.B. Paso Robles, CA, unless otherwise specified. Itemized packing list must accompany each shipment.		

Authorized Signatures:

Department:

City Manager:

(City Manager signature required for all Purchase Orders over \$5,000)

To be signed after goods/services received & approved

Approved for Payment:

Signature

Date

DISTRIBUTION/COPY: (circle one)

Vendor

Department

Finance

Receiving/Payment


KNORR SYSTEMS, INC.

EQUIPMENT QUOTATION

Date: April 21, 2010

To: Charles Lorenzen
CITY OF PASO ROBLES

From: Ron Bravo

Project: Replacement Swimming Pool Heater

SECTION	QTY	DESCRIPTION	PRICE EACH	EXTENDED TOTAL
Item # 1	1	Lochinvar model CPN1801 natural gas swimming pool heater (1,800,000 Btu per hour input). Includes California code controls, pump delay with maintenance timer, pumped bypass (CPVC) and cupro nickel heat exchanger. Does not include Type B double wall venting material for flue to atmosphere. Includes factory start up and operator training.	16,639.00	16,639.00
Install	1	Furnish labor and material for the removal and disposal of the existing swimming pool heater. Labor and material for the complete installation of the above quoted CPN1801 swimming pool heater.	14,237.00	14,237.00
			Subtotal	\$30,876.00
			Sales Tax (8.25%)	\$1,372.72
			Estimated Freight	\$800.00
			Total	\$33,048.72

Terms and Conditions

Payment Terms: Net 30 days from date of invoice, subject to approval of credit.
Quoted equipment will not be subject to project retention and invoices must be paid in full.

Interest: 18% APR is charged on all past due invoices.

Freight: FOB equipment ship point, see above for estimated freight charges.

Sales Tax: Subject to sales tax rate as noted above.

Notes: ***Pricing valid to June 30, 2010 ONLY.***
A deposit will be required on custom orders
All custom specifications and drawings must be signed by customer
prior to processing of order.

Start-Up: ***Mechanical equipment start-up and operator training (as noted on each item) is provided at no charge by KSI's Service Department. However, any site visits made for start-up/training that are unable to be completed due to delays, unfinished or incorrect installation by the contractor will be invoiced at a time and material basis. Also, start-up/training is considered one (1) site visit. Any requirement to provide training at a later date than start-up will be invoiced at our standard hourly rate, plus travel time.***

RESOLUTION NO. 10-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES CONFIRMING BUDGETARY APPROPRIATIONS FOR TWO PREVIOUSLY APPROVED CAPITAL PROJECTS AND EMERGENCY PURCHASE OF A POOL HEATER FOR CENTENNIAL POOL

WHEREAS, the City Council previously approved two capital projects, the Mechanical Bar Screens at the WWTP and the Removal/Replacement of the City Hall Air Conditioning system, and

WHEREAS, the previous resolutions inadvertently omitted budget appropriation transaction detail, and

WHEREAS, in order to meet financial audit guidelines it is necessary for the Council to confirm proper line-item appropriation, and

WHEREAS, this resolution does not appropriate any additional funding for these projects, rather it will only clarify the Council's prior approval, and

WHEREAS, the Centennial Pool Heater failed in late April 2010, just days before the Lewis Middle School was to begin their Spring swim lessons, and

WHEREAS, the Purchasing Policy of the City allows for emergency purchases to be made if a breakdown in machinery or equipment results in an essential service being interrupted or a distinct threat to the public health, safety or welfare.

WHEREAS, a replacement pool heater was found and delivery and installation was possible prior to the beginning of the swim session, and

WHEREAS, funding is available in the City/School Facility Repair fund, where this fund allows for repairs to facilities used by both the City and School District, such as the Centennial pool,

THEREFORE, BE IT RESOLVED AS FOLLOWS:

The City Council of the City of El Paso de Robles does hereby authorize the following budgetary appropriations:

1. Mechanical Bar Screens at the WWTP - \$202,400 from 601-310-5222-164
2. Removal/Replacement of City Hall A/C system - \$154,300 from 119-910-5452-175
3. Centennial Pool Heater Replacement - \$33,100 from 116-910-5452-172

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 6th day of July 2010 by the following votes:

AYES:

NOES:

ABSTAIN:

ABSENT:

Duane Picanco, Mayor

ATTEST:

Meg Williamson, Deputy City Clerk