



MEMORANDUM

TO: City Council

FROM: Bill Robeson, Assistant City Manager/Public Works Director

BY: Shane Taylor, Utilities Manager

SUBJECT: Consideration of a Purchase Order for (1) New Air Compressor; and Declaration of PW-243 - 1989 Air Compressor as Surplus

DATE: April 25, 2023

SUMMARY OF ACTION:

Authorize a Purchase Order in the amount of \$28,160.82 for the purchase of a new air compressor to replace the existing air compressor PW-243, find that the Purchase Order for the specific equipment is unique because of its quality, durability, availability and fitness for the contemplated use; and declare PW-243 as surplus property.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

A total of \$30,000 is budgeted in the Fiscal Year 2022-23 budget for the purchase of this compressor. The purchase is split 50/50 between the Street and Water Department Budgets.

RECOMMENDATION:

1) Approve a purchase order for the purchase of a new air compressor and find that the Purchase Order for the specific equipment is unique because of its quality, durability, availability and fitness for the contemplated use; 2) Declare PW-243 - 1989 Air Compressor as surplus; 3) Determine that approving a purchase order for a new air compressor is not a project subject to the California Environmental Quality Act ("CEQA") because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (b)(2)-(3), 15378.)

BACKGROUND:

A Compliance Agreement was approved on February 17, 2017, with the San Luis Obispo County Air Pollution Control District to settle a Notice of Violation for operation of City owned, portable Tier 0 diesel fueled engines after December 31, 2016 (Attachment 1).

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Per this agreement, the Ingersoll-Rand air compressor PW-243 shall not be operated after December 31, 2023, or after 200 additional hours commencing on December 31, 2016, whichever comes sooner. The current hour meter shows an additional 20 hours of use since 2017.

ANALYSIS OF ISSUES:

The current air compressor does not meet the California Airborne Toxic Control Measure for Portable Compression Ignition Engines (17 CCR93116), California Health & Safety Code Section 42301 and San Luis Obispo County Air Pollution Control District Rule 206. The APCD settled the Notice of Violation Number 3001 with the City with no civil penalty, but with a Compliance Agreement concerning (3) engines. In that Agreement, PW-243 requires replacement after December 31, 2023.

The existing air compressor needs to be declared surplus property and removed from service by the end of 2023. Out of the three bids that were submitted, Quinn/CAT Equipment was the lowest bidder at \$28,160.82 (Attachment 2). One of the vendors that submitted a bid could not estimate a delivery date and another anticipated a delivery date past the end of 2023.

ADVANTAGES:

Purchase of the new air compressor will complete the requirements of the Compliance Agreement with the APCD. Additionally, this Purchase Order for the specific equipment is unique because of its quality, durability, availability, and fitness for the contemplated use.

DISADVANTAGES:

An expenditure of \$30,000 is required to purchase a new air compressor.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. 1) Authorize a Purchase Order in the amount of \$28,160.82 for the purchase of a new air compressor to replace the existing air compressor; and 2) Declare PW-243 -1989 Air Compressor as surplus;
2. Do not approve the Purchase Order; or
3. Provide other direction to staff.

ENVIRONMENTAL REVIEW:

Approving a purchase order for a new air compressor is not a project subject to the California Environmental Quality Act ("CEQA") because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (b)(2)-(3), 15378.)

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PUBLIC NOTIFICATION AND COMMENTS:

The agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachments:

1. Compliance Agreement from APCD
2. Sales Quote from Quinn