



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: October 21, 2008

TO: Mayor and Councilmembers

FROM: Facilities Division, Waterfront Department

SUBJECT: Purchase Order Increase For Hoist 4 Repair Project

RECOMMENDATION:

That Council approve a \$29,206 increase to Purchase Order No. 378828 from \$67,259 to \$96,465 for the Santa Barbara City Pier Hoist 4 Repair Project.

DISCUSSION:

At the City Pier, hoists are used routinely to offload heavy equipment and by commercial fishermen to offload fish on a daily basis. Installed in 1991, Hoist 4 has the most capacity of the four hoists located on the City Pier. The main gear on Hoist 4 failed several months ago. With a long lead time to fabricate a replacement, staff decided to completely overhaul the hoist. Only one bid was received to replace the boom, main column, and the entire lift mechanism for \$67,259. The low bidder, Konecranes Inc., is located in Pennsylvania requiring the hoist to be shipped across country to their facility for the required work.

Upon installation of the hoist, Konecranes discovered a variety of problems with the existing electrical system and other hardware requiring a substantial increase in labor and equipment to complete the project. It took Konecranes staff almost two weeks to diagnose and repair the problems discovered during installation. The additional labor and equipment to complete the project increased the total expense to \$96,465.

Municipal Code Section 4.52.080 and Resolution No. 97-052 require that all City repair and maintenance expenditures over \$75,000 receive Council approval. Although the original estimate and bid were less than \$75,000, unanticipated extra work to complete the project resulted in a total cost exceeding that amount. Therefore, Council approval is required to increase Purchase Order No. 378828 to \$96,465.

Funding

This project is funded by Waterfront Capital Funds. There are sufficient funds in the Waterfront – Facility Design and Capital Program to cover the cost of this project.

PREPARED BY: Karl Treiberg, Waterfront Facilities Manager

SUBMITTED BY: John Bridley, Waterfront Director

APPROVED BY: City Administrator's Office