

D. Approve an Amendment to Purchase Order 80040 for E&L Electric, Inc.

**Agenda Item: 6D**

April 29, 2024

**TO: THE ENGINEERING, OPERATIONS, AND WATER RESOURCES COMMITTEE**

Director Gracie Torres

Director Fauzia Rizvi

**FROM:** Tim Barr, Deputy General Manager

**APPROVE AN AMENDMENT TO PURCHASE ORDER 80040 FOR E&L ELECTRIC, INC.**

**RECOMMENDATION:**

Staff requests that the Engineering, Operations, and Water Resources Committee recommend the Board of Directors:

1. Authorize an increase of \$15,500 to Purchase Order 80040 for E&L Electric, Inc. from \$99,500 to \$115,000.

**EXECUTIVE SUMMARY:**

E&L Electric, Inc. provides electric motor sales and repair service for Western Municipal Water District's electric motors. E&L Electric, Inc. is one of three pre-screened vendors that provide this service. During Fiscal Year 2023-2024, Operations staff has seen an increase in unplanned emergency motor repairs due to premature failure. In addition, motor repairs costs have become increasingly more expensive than in the past.

**BUDGET IMPACT:**

No budget amendment is deemed necessary as the proposed increase will be covered by the Board adopted Biennial Operating Budget at the fund level for Fiscal Year 2023-2024.

**DETAIL:**

Standard practice is for staff to budget and plan repairs on equipment such as motors based on predicted life cycle or condition assessment during regular maintenance. Occasionally, equipment experiences premature failure and must be repaired or replaced. Staff has observed higher electric motor failures this year, resulting in increased expense. Western Municipal Water District (Western Water) utilizes three pre-screened vendors, including E&L Electric, Inc., to

acquire quotes as needed for motor repairs. The need for E&L Electric, Inc's. services have eclipsed the original purchase order of \$50,000 which staff, under the General Manager's purchasing authority, increased to \$99,500 in December 2023. Staff are now requesting to increase the existing annual purchase order of \$99,500 to \$115,000 to cover an existing unpaid invoice. The cost of repair is usually unknown until the service technician disassembles the unit. Adding \$15,500 to the existing purchase order will cover the unpaid invoice. Following payment, staff will close the purchase order for the remainder of fiscal year 2023-2024.

Reason for Action:

Purchase order 80040 is out of funds and needs to be increased to fund the completed motor repair work from E&L Electric, Inc.

Solution:

Amend purchase order 80040 from \$99,500 to \$115,000 to fund completed motor repairs by E&L Electric, Inc.

**STRATEGIC PRIORITIES REFERENCE:**

This action is consistent with Western's Strategic Priority of Superior Service.

**PROPOSED DATE OF ACTION:**

If approved by the Committee, this item is scheduled for consideration by the full Board of Directors at their meeting on May 15, 2024.

**LEGAL COUNSEL REVIEW:**

Not applicable.

Respectfully submitted by:

Tim Barr, Deputy General Manager