

**PETERSBURG BOROUGH
RESOLUTION #2022-19**

**A RESOLUTION APPROVING A PURCHASE ORDER FOR THE MAINTENANCE
AND REPAIR OF PMPL CATERPILLAR 398 GENERATOR FOR AN AMOUNT NOT
TO EXCEED \$200,000**

WHEREAS, Petersburg Municipal Power and Light must refurbish the Caterpillar 398 generator to provide standby power generation during times of SEAPA or local power outages; and

WHEREAS, a quote has been received from NC Machinery, the Alaskan regional Caterpillar dealer and maintenance representative for Caterpillar equipment, in the amount of \$186,249.62 to provide generator cleaning and inspection and a complete rebuild of the engine, including parts and materials; and

WHEREAS, it is prudent to include a project contingency of \$14,000 above the quoted price to account for unforeseen issues and accompanying service needs that may be encountered during the machine inspection; and

WHEREAS, the FY 2023 Borough budget was amended by Assembly approval of Ordinance #2022-15, which increased the Electric fund budget by \$200,000 in order to complete the Caterpillar 398 rebuild, and

WHEREAS, NC Machinery has been a long standing Caterpillar factory representative and service vendor to the Petersburg Borough and is highly qualified to perform the cleaning, inspection and rebuild of the generator and engine; and

WHEREAS, Petersburg Municipal Code, Chapter 4.04.040 Exceptions to Bidding, states:

“Competitive bidding shall not be required for the following:”

...

“D. Contracts for equipment maintenance and repair. Contracts for the maintenance, repair or overhaul of borough equipment do not require the public bid process when the furnishing of parts or materials is incidental to furnishing of services or labor. The term "equipment" for these purposes shall mean a single unit whether or not attached as a fixture”; and

WHEREAS, the cleaning, inspection and rebuild of the Caterpillar 398 is work whereby the furnishing of parts and materials is incidental to the furnishing of services and labor by NC Machinery, and

WHEREAS, time is of the essence in order to restore the dependability and full generation capacity of the Caterpillar 398 generator and it is in the Borough’s best interest to hire NC Machinery to complete the rebuild as soon as possible.

THEREFORE BE IT RESOLVED the Assembly for the Petersburg Borough approves of a purchase order to NC Machinery of Juneau Alaska to procure service and parts for the cleaning, inspection and rebuild of PMPL Caterpillar 398 for a price not to exceed \$200,000.00.

Passed and Approved by the Petersburg Borough Assembly on November 21, 2022.

Mark Jensen, Mayor

ATTEST:

Rebecca Regula, Deputy Clerk