

Agenda Report

TO: CITY COUNCIL

DATE: DECEMBER 6, 1999

FROM: CITY MANAGER

SUBJECT: Authorization To Approve A Journal Voucher Recognizing \$44,451.48 From Insurance Proceeds and Appropriating It To Fund #502, Account #766100, Building Maintenance Operations.

RECOMMENDATION

It is recommended that the City Council approve a journal voucher recognizing \$44,451.48 from insurance proceeds and appropriating it to fund #502, account #766100, Building Maintenance Operations.

BACKGROUND

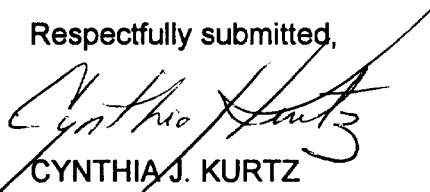
On May 5, 1998 an explosion and fire destroyed the emergency back up generator located at the City Yards. The explosion was caused by a mechanical failure in the 30-year-old generator, which in turn caused an electrical malfunction resulting in a minor fire. The generator is used to provide backup power for all essential functions for the Water and Power, Fleet Maintenance, and Building Systems facilities in the event of power loss at the Yards. These functions include emergency lighting and supplying power for the fuel pumps. With the City Yards designated as the staging area for Water and Power, and Public Works employees for emergency response, the loss of this generator greatly impacts the City's ability to adequately respond in the event of a disaster or emergency.

In accordance with City policy, claim #41-247181-P2 was filed with CNA Commercial Insurance by the City Claims Coordinator under the Public Entity Property Insurance Program (PEPIP). Per instructions from CNA Commercial Insurance, an informal bid was solicited to determine the replacement value of the generator. The bid was distributed among six vendors. There were three responses, with Penguin Engineering Company being the low bidder. As a result of this bid, CNA Commercial Insurance issued a check payable to the City of Pasadena in the amount of \$44,451.48. This includes the \$42,951.48 to replace the generator with the remaining portion to be used for installation, which will be performed by City staff. The check has been forwarded to Accounts Receivable and is available for use once approval by Council is received.

FISCAL IMPACT

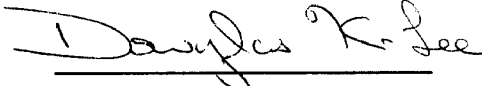
This action will increase revenues and appropriations to fund 502, account 766100 by \$44,451.48.

Respectfully submitted,



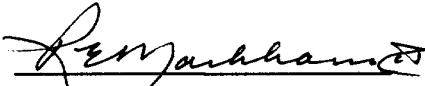
CYNTHIA J. KURTZ
City Manager

Prepared by:



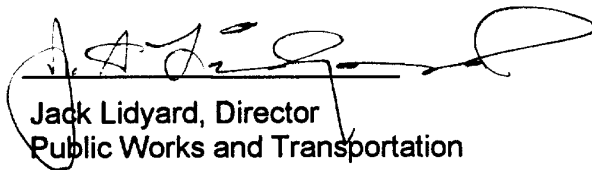
Douglas K. Lee
Management Analyst III

Reviewed by:



Robert E. Markham, II
BSFMD Administrator

Approved by:



Jack Lidyard, Director
Public Works and Transportation