

**RESOLUTION
ROCK COUNTY BOARD OF SUPERVISORS**

General Services Committee
INITIATED BY

Randy Terronez
DRAFTED BY

General Services Committee
SUBMITTED BY



July 31, 2013
DATE DRAFTED

**APPROVING PURCHASE OF HEALTH CARE CENTER BOILER REPLACEMENT
EQUIPMENT**

- 1 **WHEREAS**, the County replaced the Health Care Center boiler system in 2011 in order to increase
- 2 energy efficiency by installing four packaged boiler units; and,
- 3
- 4 **WHEREAS**, from December, 2012 to present, all four of the boiler's heat exchangers have failed with
- 5 the cause yet to be determined; and,
- 6
- 7 **WHEREAS**, replacement heat exchanger units are recommended to be ordered at this time in order to
- 8 have the building ready for the fall heating season; and,
- 9
- 10 **WHEREAS**, it has been determined that the heat exchangers sole source provider is Patterson-Kelly
- 11 Company; and,
- 12
- 13 **WHEREAS**, funding is available for the purchase of the equipment from the Jail/HCC Complex Capital
- 14 Project account, pending determination of fault.
- 15
- 16 **NOW, THEREFORE, BE IT RESOLVED** by the Rock County Board of Supervisors duly assembled
- 17 this 8 day of August, 2013, that a purchase order be authorized for four (4) heat
- 18 exchanger units in the amount of \$10,617 per unit plus freight charges as a sole source purchase from
- 19 Patterson-Kelly Company of Stroudsburg, PA.; and,
- 20
- 21 **BE IT FURTHER RESOLVED**, that the payment be made to the vendor upon approval and acceptance of
- 22 the General Services Committee.

13-8A-387

Respectfully Submitted,

GENERAL SERVICES COMMITTEE

PURCHASING PROCEDURAL ENDORSEMENT

Phillip Owens, Chair

Reviewed and approved on a vote of

Henry Brill, Vice Chair

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Ivan Collins

Mary Mawhinney, Chair

Jason Heidenreich

Absent
Edwin Nash

APPROVING PURCHASE OF HEALTH CARE CENTER BOILER REPLACEMENT EQUIPMENT

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FISCAL NOTE:

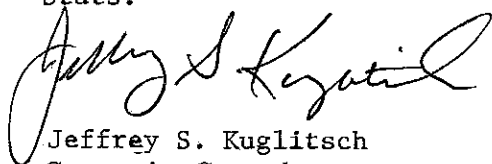
This resolution authorizes the use of \$43,000 for the purchase of HCC Boiler heat exchangers. The Jail/HCC Complex Capital account had \$302,143.63 of unencumbered funds estimated at 6/30/13.



Sherry Oja
Finance Director

LEGAL NOTE:

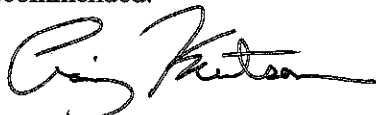
County Board is authorized to take this action pursuant to secs. 59.01 and 59.52(6), Wis. Stats.



Jeffrey S. Kuglitsch
Corporation Counsel

ADMINISTRATIVE NOTE:

Recommended.



Craig Knutson
County Administrator

Executive Summary

Approving Purchase of Health Care Center Boiler Replacement Equipment

In January 2011, the County approved a bid award to H&H Industries of Madison in the amount of \$768,860 which replaced the aging Health Care Center boiler system with four (4) energy efficient, packaged boiler units and associated equipment. The total project including engineering was \$817,910 with grant and utility loan funds covering 93% of the project costs and County debt service covering the remaining 7%. IBC Engineers designed the project.

In December of 2012, leaking water was detected from the boilers. Approximately 100 gallons/day was coming out of the closed loop boiler system. Shortly thereafter, it was discovered that one of the four-boiler unit's heat exchanger component contained a split seam. A replacement heat exchanger was ordered, delivered and installed with the County's understanding that this would be within the five-year warranty period. (Note that the unit has not been placed on-line pending identification of the cause.)

In January, 2013, a 2nd boiler heat exchanger failed. Throughout the winter of 2012/13, the HCC operated with 2 boiler units. Subsequently, the remaining two boiler heat exchanger units began leaking.

The manufacturer (Patterson-Kelly Company) recently notified the County it would provide warranty coverage but has offered to supply the replacement units at ½ price. The company feels that the failure is due to other than equipment defect.

Efforts are underway to determine the cause (s) of the equipment failure (e.g., a design issue, manufacturer issue or other).

In order to get the HCC boilers back up and running by the fall heating season, staff recommends the purchase of four (4) Harsco heat exchangers (3 million BTU/unit) at \$10,617 each from Patterson-Kelly Company of East Stroudsburg, Pennsylvania as a sole source purchase. Costs to replace the four heat exchangers plus shipping costs total \$43,000.

The County is going out for bid for the installation of the units. The bid award would be scheduled to come to the September round of meetings.

Funds are available in the Jail/HCC Complex Project account, pending determination of fault.