



## MEMORANDUM

---

Date: August 8, 2024

To: Honorable Mayor and Commissioners

Via: Todd Stoughton  
Interim City Manager

From: Matt Willman  
Interim Utilities Director

Subject: **Approve Services from Pantropic Power, Inc., in the amount of \$82,369.76, for Wastewater Treatment Facility Generator Radiator Core Replacement and Engine Service, Pursuant to Section 2-797(1) of the Code of Ordinances, Sole Source Provider; and Authorize Any Necessary Budget Transfers Within the Sewer Fund. (File ID 24-6202)**

---

### **Introduction**

Staff recommends the Mayor and City Commission approve the procurement of services from Pantropic Power, Inc., to repair the generator radiator by replacing the cores and gaskets, apply a surface coating to extend protection of the radiator, reassembling the radiator assembly, and make all necessary adjustments. Generator service will include oil change and replacement of fuel, oil, and air filters. Service and radiator repair estimate is \$82,369.76. Pantropic Power is the only authorized Caterpillar dealer and service provider representative for South Florida.

### **Background**

The City of Key West operates and maintains the Richard A. Heyman Environmental Protection Facility, located on Fleming Key. The wastewater treatment facility is equipped with a backup power generator, model Caterpillar 3516, built in 1996. The generator was manufactured in 1996 and delivered to the wastewater treatment facility in February 1997. The age of the diesel generator set is 27 years.

The generator received a radiator recore and exterior surface recoating, in 2019, during a replacement of the control panel that was damaged by wind-driven rain in Hurricane Irma. A radiator recore replacement has a life expectancy of five to eight years, depending on run time and exposure to weather conditions, such as marine environment exposure. In 2023 following Hurricane Ian, a radiator leak was repaired as a temporary measure to allow time for the city to schedule replacement of the radiator cores.

The radiator has reached the anticipated service useful life expectancy and requires service to install a new recore assembly. Replacement with a new radiator assembly is not recommended, due to age of the generator, lack of availability of a new radiator assembly, replacing the radiator cores has a better turnaround time, and the generator enclosure will not need to be removed, redesigned, and replaced.

Florida Department of Environmental Protection requires the city to maintain uninterrupted operation of the wastewater treatment facility. A fully functioning back up power generator is a requirement of the State of Florida Domestic Wastewater Facility Permit, FLA147222.

### **Procurement**

Pursuant to Code of Ordinances, Section 2-797(1) sole source procurement, a contract may be awarded without competition when there is only one source for the required commodity and/or contractual service, and when the cost exceeds \$50,000.00, the sole source procurement shall be authorized by the city commission.

The manufacturer of the wastewater treatment facility generator is Caterpillar. In South Florida, there is only one authorized service representative for Caterpillar generators. Services to recore the radiator may be obtained from only one authorized provider, Pantropic Power, Inc. The estimate for parts and labor to recore the radiator and service the generator engine is \$82,369.76.

### **Recommendation**

The City Manager's Office recommends the Mayor and City Commission approve the wastewater treatment facility generator radiator core replacement and engine service, from Pantropic Power, Inc., in the amounts of \$82,369.76, and authorize any necessary budget transfers.