

Mayor and Council Communication

DATE: 01/14/20

M&C FILE NUMBER: M&C 20-0036

LOG NAME: 60CHLORINE & SULFUR DIOXIDE EQUIP- HARTWELL

SUBJECT

Authorize a Sole Source Purchase Agreement with Hartwell Environmental Corporation for the Original Equipment Manufacturer Severn Trent Water Purification Chlorine and Sulfur Dioxide Induction Equipment, Replacement Parts and Repair Service for the Water Department in an Annual Amount up to \$300,000.00 (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council authorize a sole source purchase agreement with Hartwell Environmental Corporation for the Original Equipment Manufacturer (OEM) Severn Trent Water Purification chlorine and sulfur dioxide induction equipment, replacement parts and repair service for the Water Department in an annual amount up to \$300,000.00.

DISCUSSION:

The Water Department (Department) will use this Sole Source Purchase Agreement to purchase OEM parts to repair existing units and to purchase replacement units as needed, along with repair services for the City's water treatment plants. Non-OEM parts are not compatible with the Severn Trent Purification, Inc. water treatment systems in place. These units are used to distribute chlorine, which is a disinfectant, and sulfur dioxide, which removes excess chlorine, throughout the plant. In order to maintain consistent chemical flow necessary to maintain the proper chlorine residual for the treatment process and to remain in regulatory compliance with State and Federal permits, it is necessary for all units and corresponding parts to be identical.

No guarantee was made that a specific amount of goods and services would be purchased. However, the Department anticipates spending approximately \$300,000.00 annually.

Severn Trent Water Purification, Inc., is the sole source manufacturer of the disinfection treatment equipment currently in operation at the water treatment plants and Hartwell Environmental Corporation is the documented sole source dealer for the Texas region.

M/WBE OFFICE - A waiver of the goal for MBE/SBE subcontracting requirements was requested by the Department and approved by the OBD, in accordance with the MWBE or DBE Ordinance, because the M/WBE Waiver is based on the sole source information provided to the M/WBE Office by the managing department's project manager.

ADMINISTRATIVE CHANGE ORDER - An administrative change order or increase may be made by the City Manager in the amount up to \$100,000.00 and does not require specific City Council approval as long as sufficient funds have been appropriated.

TERMS - Upon City Council's approval, this Agreement will begin on October 1, 2019 and expire on September 30, 2020.

RENEWAL OPTIONS - This Agreement may be renewed for up to four additional one-year terms at the City's option. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term. Staff anticipates that the costs for renewal years shall remain the same as the first year.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and award of the contract, funds are available in the current operating budget, as appropriated, of the Water & Sewer Fund. Prior to any expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

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