



# City Council Report

**Date:** February 22, 2016  
**To:** City Council  
**Through:** Alex Deshuk, Chief Innovation Officer  
**From:** Edward Quedens, MPA, C.P.M., CPPO, Business Services Director  
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator  
**Subject:** Dollar Limit Increase to the Term Contract for Hach Equipment Maintenance Repair and Supplies for the Water Resources Department **(Sole Source)**  
**(Citywide)**

## Purpose and Recommendation

Council is requested to approve a Dollar Limit Increase to the Term Contract for Hach Equipment Maintenance Repair and Supplies as recommended.

The Water Resources Department and Purchasing recommend authorizing a dollar limit increase of \$50,000.00, increasing the annual contract amount from \$110,000.00 to \$160,000.00 in year one; and \$135,000.00 annually for years 2 and 3, based on estimated requirements.

## Background / Discussion

This contract provides factory service maintenance and repair for equipment from Hach Company located at several laboratories and the water reclamation plants. Hach provides factory service and parts for all Hach equipment and does not use distributors or authorized service facilities. Unauthorized repairs will result in voiding the instrument's warranty.

On April 20, 2015, this sole source contract was awarded to Hach Company for \$85,000.00 annually, based on estimated requirements at that time. On 7/8/2015, Water Resources requested an increase of \$25,000.00 which was administratively approved. Water Resources has had to rebuild several pieces of equipment and has added a few pieces of equipment to their maintenance contract that were not covered before. The original estimated supply usage was underestimated.

Water Resources has requested an increase of \$50,000.00, increasing the annual contract amount from \$110,000.00 to \$160,000.00 in year one, and \$135,000.00 annually thereafter for years 2 and 3, based on current usage/estimated requirements.

## Alternatives

Council may choose not to award the purchase and new quotes will be obtained.

## Fiscal Impact

The annual contract amount is available in the Water Resources Department operating budget.

## Coordinated With

The Water Resources Department and Purchasing

## PURCHASING INFORMATION

Action: Dollar Limit Increase

Procurement Type: Sole Source

Solicitation Number: 2015173

Contract Term: 4/21/2015 through 3/21/2018

## DOLLAR LIMIT INCREASE RECOMMENDATION

*Hach Company*  
Chandler, AZ

Description	
Hach Equipment Maintenance Repair and Supplies per Contract No. 2015173, Terms and Conditions, Specifications and Pricing	
Council Original Award – 4/20/2015	\$85,000.00
Administrative Increase – 7/8/2015	\$25,000.00
This Increase Request – 2/22/2016	<b>\$50,000.00</b>
<b>New Contract Amount (Year 1)</b>	<b><u>\$160,000.00</u></b>
<b>New Annual Contract Amount (Years 2 and 3)</b>	<b><u>\$135,000.00</u></b>