



City Council Report

Date: July 3, 2017
To: City Council
Through: Mike Kennington, Chief Financial Officer
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: One-Year Term Contract for Replacement and Stock Filter Membrane Panels for the Water Resources Department **(Sole Source) (Funded by the GWRP partners, Mesa 41.8%, Gilbert 39.8% and Queen Creek 18.4%) (Citywide)**

Purpose and Recommendation

Council is requested to approve the Term Contract for Filter Membrane Panels as recommended.

The Water Resources Department and Purchasing recommend awarding the contract to the sole source vendor, Kruger, Inc. at \$85,000.00, based on estimated requirements.

Background / Discussion

This contract will provide replacement and stock, filter panels, miscellaneous filter parts and hardware for the Greenfield Water Reclamation Plant (GWRP) Tertiary Disc Filters for FY 2017/18. It supplies spare filter elements and hardware for the maintenance and upkeep of the Tertiary Filter system required for the normal operation of the filtration system in use at the plant. A sufficient inventory of replacement parts at the plant maintains adequate redundancy for plant maintenance.

Kruger Hydrotech filters are currently in service at GWRP. There are 400 filter panels per filter with 6 filters in service at the plant, a grand total of 2,400 filter panels. Prior to FY 2016/17, the filters began experiencing an unusually high amount of filter replacement due to failures and reaching their end of life cycle (seven years)

Additional filter elements were purchased last FY; half of the order is currently in stock now. This contract will be used to purchase 652 filter panels (325 left, 325 right) which is an increase from last FY due to supply side issues encountered by the vendor and this purchase should remedy the issue.

Kruger is the manufacturer and engineering design proprietor of the Hydrotech Disc Filter System in use at GWRP. There are no other sources for filters or replacement parts.

Alternatives

Council may choose not to authorize the purchase and new responses will be solicited.

Fiscal Impact

The annual contract amount is available in the Water Resources Department operating budget through the Enterprise Fund - Wastewater Sub Fund (funded by the GWRP partners, 41.8% Mesa, 39.8% by Gilbert and 18.4% by Queen Creek)

Coordinated With

Water Resources – Wastewater Utility and Purchasing

PURCHASING INFORMATION

Action: Award

Procurement Type: Competition Exempt (Sole Source)

Contract Number: 2017234

Contract Term: One-Year

Pricing: Water Resources and Purchasing will request Council approval for their annual spend, based on their annual requirements

AWARD RECOMMENDATION

Kruger, Inc.
Raleigh, NC

Description
Filter panels and other miscellaneous filter parts and hardware for Kruger Hydrotech Discfilter System per Contract No. 2017234
Annual Contract Amount: <u>\$85,000.00</u>