



City Council Report

Date: August 19, 2019
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal with a One-Year Renewal Option to the Term Contract for GEA Westfalia Centrifuge Parts and Service for the Water Resources Department **(Sole Source) (Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Water Resources Department and Purchasing recommend authorizing the renewal with the sole source vendor/contractor, GEA Mechanical Equipment US, Inc., at \$450,000 annually, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

Background / Discussion

This contract provides for the purchase of GEA Westfalia centrifuge parts, repair and maintenance services essential to effectively and safely operate all Westfalia Separator Decanters at the City's Greenfield Water Reclamation Plant, and the Northwest Water Reclamation Plant.

The centrifuges/separators located at both plants, manufactured by GEA Westfalia, use the same operating principle to conduct and perform two separate tasks of thickening sludge and dewatering sludge. This is done by pumping liquid sludge into a cylinder and spinning at a very high speed and using centrifugal force to separate the solids from the liquids. Thickening and dewatering the sludge drastically lowers the volume of sludge needing to be treated and hauled away, increasing efficiency and lowering hauling costs. Without the use of the centrifuges, the volume of liquid sludge to be hauled would increase by approximately seven (7) times, drastically increasing hauling costs and traffic in and out of the water reclamation plants.

Centrifuges are complex pieces of machinery that operate at high speeds and produce high gravitational forces. Because of the fine tolerances needed to keep the equipment working properly, it is critical that manufacturing specification be maintained. This is best done by using factory authorized repair, service and parts. The parts and service to be performed would include centrifuge overhauls, bearing replacements, scroll retilling and parts replacement.

GEA Mechanical Equipment US, Inc., agreed to renew the contract under the same terms, conditions and current pricing. This vendor has been contracted with the City since October 2011. The City has been satisfied with the vendor's performance over the past eight years. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (1st of 2 possible)

Procurement Type: Sole Source

Contract Number: 2016241

Original Council Award Date: 9/26/2016

Initial Contract Term: Three years

Possible Renewals: One-year renewal subject to Administrative review and approval

Funding Source: Water Resources Department operating budget