

*STAFF REPORT**CITY OF OCEANSIDE*

DATE: February 21, 2007

TO: Honorable Mayor and City Councilmembers

FROM: Water Utilities Department

SUBJECT: **APPROVAL OF FOUR PURCHASE ORDERS IN THE AMOUNTS OF \$249,800, \$228,669, \$354,807 AND \$62,834 FOR THE PRE-PURCHASE OF EQUIPMENT CRITICAL TO THE TIMELY COMPLETION OF THE LOMA ALTA LAGOON ULTRA-VIOLET TREATMENT FACILITY PROJECT**

SYNOPSIS

Staff recommends that the City Council approve four purchase orders for the pre-purchase of equipment which will be installed in the Loma Alta Lagoon Ultra-Violet Facility project: a purchase order in the amount of \$249,800 to Aquionics of Erlanger, Kentucky, for the Ultraviolet (UV) System; a purchase order in the amount of \$228,669 to Infilco-Degremont of Richmond, Virginia, for the inlet screen; a purchase order in the amount of \$354,807 to Parkson Corporation of Fort Lauderdale, Florida, for the filters; and a purchase order in the amount of \$62,834 to Essco Pumps and Controls of Los Angeles, for the pumps; and authorization for the Financial Services Director, or designee, to execute the purchase orders.

BACKGROUND

On January 16, 2006, Council adopted a resolution authorizing entering into an agreement with the State of California for a Proposition 40 Clean Beach Initiative Grant Program Agreement for \$2,355,000 for the Ultra-Violet Facility project at the Loma Alta Lagoon (UV Facility). On May 17, 2006, Council approved a professional services agreement with Carollo Engineers for project design, plans and specifications, and environmental permitting services for the UV Facility. During the design phase, cost estimates were developed for the project to see if sufficient funds would be available. It was determined that the project would cost slightly more than \$5,000,000. The City reapplied for this new grant amount to replace the original \$2,355,000 grant.

On December 13, 2006, Water Utilities staff was notified that the City had been awarded the new grant in the amount of \$5,000,000 from the Proposition 40 Clean Beach Grant Program administered by the State of California Water Resources Control Board (SWRCB).

Pre-purchase specifications for critical equipment including the UV reactors, inlet screen, pressure filters, and pumps were developed and requests for proposals were sent to six firms capable of providing the equipment. This equipment has long production times and could, if not pre-purchased prior to construction, delay the completion of the project. The state timeline calls for the facility to be operational by April 2008.

ANALYSIS

The City sent out six requests for proposals (RFP) for the pre-purchase of equipment for the project (Exhibit A). The results are as follows:

- Proposals were received from ITT-Wedeco for \$235,269 and Aquionics for \$249,800 for the UV system. A letter was received from Coombs-Hopkins indicating they would not provide a proposal on the UV system. The others did not respond. A condition in the request for proposal required the UV system equipment undergo validation testing. The equipment proposed by ITT-Wedeco failed the validation testing. It is recommended that the City accept the proposal from Aquionics; validation testing of the equipment they proposed confirmed that the equipment will meet the required specifications.
- A proposal was received from Coombs-Hopkins who represents Infilco-Degremont for \$228,669 for the inlet screen. A letter was received from Aquionics indicating they would not provide a proposal on the inlet screen. The others did not respond. It is recommended that the City accept the low proposal from Infilco-Degremont for the inlet screen.
- A proposal was received from Coombs-Hopkins who represents Parkson Corporation for \$354,807 for the filters. A letter was received from Aquionics indicating they would not provide a proposal on the filters. The others did not respond. It is recommended that the City accept the low proposal from Parkson Corporation for the filters.
- A proposal was received from Essco Pumps and Controls for \$62,834 for the pumps. A faxed proposal received from Flow Systems was unacceptable because the RFP required proposals to be delivered to the Water Administration office. A letter was received from Coombs-Hopkins indicating that they would not be bidding on the pumps. The others did not respond. It is recommended that the City accept the low proposal from Essco Pumps and Controls for the pumps.

FISCAL IMPACT

There is an adopted budget of \$2,355,000 (711.667112) for the Loma Alta Lagoon Ultraviolet Treatment Facility Grant Project. This will increase to \$5,000,000 once the agreement is finalized and Council accepts the grant funding. There are available funds for these purchases.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY’S ANALYSIS

City Attorney analysis does not apply.

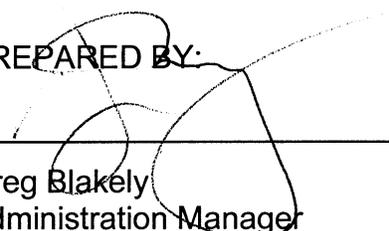
INSURANCE REQUIREMENTS

Does not apply.

RECOMMENDATION

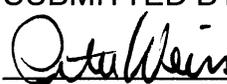
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PREPARED BY:



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Administration Manager

SUBMITTED BY:



Peter A. Weiss
Interim City Manager

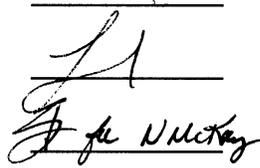
REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Lonnie Thibodeaux, Water Utilities Director

Nita McKay, Financial Services Director

Exhibit A - Request for Proposal Mailing List



Nita McKay