



DATE: September 12, 2007

TO: Honorable Mayor and City Councilmembers

FROM: Water Utilities Department

SUBJECT: **APPROVAL OF A PURCHASE ORDER IN THE AMOUNT OF \$156,230.97 TO ALFA-LAVAL, INC. FOR REPLACEMENT PARTS TO MAINTAIN THE SAN LUIS REY WASTEWATER TREATMENT PLANT CENTRIFUGES**

SYNOPSIS

Staff recommends that the City Council approve a purchase order in the amount of \$156,230.97 to Alfa-Laval, Inc., of Richmond, Virginia, for replacement parts to maintain the San Luis Rey Wastewater Treatment Plant centrifuges, and authorize the Financial Services Director, or designee, to execute the purchase order.

BACKGROUND

The centrifuges at the San Luis Rey Wastewater Treatment Plant are essential to the sewage-treatment process because they are used to dewater the sludge prior to disposal. The existing centrifuges were installed at the San Luis Rey Wastewater Treatment Plant in 2003. According to the manufacturer, certain parts of the centrifuges have a life span of three to four years. Staff is requesting this purchase for replacement parts to maintain the centrifuges now and to put in inventory for future maintenance.

ANALYSIS

Staff did not obtain three bids because this vendor is the sole-source manufacturer of the replacement parts. The City's draft Procurement of Goods and Services Directive, Section VIII, paragraph C., states that, "These sole source purchases may include proprietary items sold directly from the manufacturer, items that have only one distributor authorized to sell in this area or a certain product has been proven to be the only product acceptable." Failure to properly maintain the centrifuges will result in regulatory violations and potential fines.

FISCAL IMPACT

The San Luis Rey Wastewater Treatment Plant (721.666940.5214) has an approved operating budget of \$607,000 for maintenance and repair of equipment and machinery. There is a current balance of \$541,061. Therefore sufficient funds are available.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

Purchases of equipment, supplies or services that are available only from a single or sole source are exempt from the bidding requirements of Chapter 28A of the City Code.

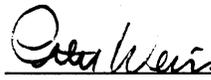
RECOMMENDATION

Staff recommends that the City Council approve a purchase order in the amount of \$156,230.97 to Alfa-Laval, Inc., of Richmond, Virginia, for replacement parts to maintain the San Luis Rey Wastewater Treatment Plant centrifuges, and authorize the Financial Services Director, or designee, to execute the purchase order.

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