

Report

Agenda Date: 6/6/2018, Item No. 185

Water Department Power Packs and Hydraulic-Powered Sludge Cake Pumps -Repair, Replacement, and Maintenance Contract (Ordinance S-44641)

Request to authorize the City Manager, or his designee, to enter into a contract with Schwing Bioset, Inc. for power pack and hydraulic-powered sludge cake pump repair, replacement, and maintenance services for the Water Services Department. The aggregate value will not exceed \$875,000 over the life of the contract. Further request authorization for the City Controller to disburse all funds related to this item.

Summary

The Water Services Department has six hydraulic-powered sludge cake pumps located at the 91st Avenue Wastewater Treatment Plant. These pumps move sludge from the dewatering centrifuges to the loading area for removal. Each pump consists of three major units: a power supply unit, a hydraulic-powered dual cylinder pump, and a lubrication ring supply unit.

Procurement Information

Under City Code Section 43-11(D) and the City's Administrative Regulation 3.10, the competitive procurement process was waived as a result of a Determination Memo citing Schwing Bioset, Inc. as the sole source for its goods and services. Schwing Bioset, Inc. does not certify other vendors to supply its proprietary pump parts.

The Water Services Department requests a waiver from Phoenix City Code Section 42 -18(B). Schwing Bioset, Inc. seeks to limit the City's ability to obtain legal redress, damages, or other compensation in the contract. If the City Council approves this waiver, the City's sole remedy for breach would be contract cancellation.

The Water Services Department also requests a waiver from Phoenix City Code Section 42-18(C). Schwing Bioset, Inc. seeks to restrict the standard indemnification terms. Schwing Bioset, Inc. will only agree to defend and indemnify the City for liability arising out of Schwing Bioset, Inc.'s sole negligent or willful acts. If the City Council approves this waiver, allegations of wrongdoing against the City or a third party will require the City to defend and resolve any litigation itself.

Contract Term

The contract term is for seven years effective from June 1, 2018, through May 31, 2025.

Financial Impact

The aggregate value of the contact is not to exceed \$875,000, with annual expenditures estimated at \$125,000. Funding for this contract is available in the Water Services Department's operating budget.

Location

91st Avenue Wastewater Treatment Plant Council District: 7

Responsible Department

This item is submitted by Deputy City Manager Karen Peters and the Water Services Department.