Hem#5-9A

City of Carson City Agenda Report

Date Submitted: July 29, 2008

Agenda Date Requested: August 7, 2008

Time Requested: Consent

To: Mayor and Supervisors **From:** Purchasing & Contracts

Subject Title: Action to determine that Contract No. 0809-085 is a contract for items which may only be contracted from a sole source and therefore not suitable for public bidding pursuant to NRS 332.115 and to approve Contract No. 0809-085 a request for the purchase of three (3) Aqua-Lator Aerators from Siemens Water Technologies for a not to exceed cost of \$59,682.00 to be funded from the WWTP Upgrade Phase 1A Fund as provided in FY 2008/2009.

Staff Summary: Carson City owns eleven (11) Aqua-Lator Aerators that provide for treatment within the Waste Water Reclamation Plant. The plant is experiencing issues with its ability to control nutrient levels in the Reclaimed Water and is being pushed by BOD loading rates. The total influent flow to the plant has stabilized over the past few years due to improvements in the sewer collection system by reducing infiltration and the continued usage of low flow shower heads and toilets. With the decrease in flows, there is an increase in the strength of sewage entering the plant; this increased loading (less diluted) is reflected in increased nutrient level in the reclaimed water. Therefore, by adding additional aerators, the need for treatment plant expansion should be delayed until flows or new State regulations require the improvement and add nutrient level limitations to the permit.

The purchase of three new Aqua-Lator aerators will provide for a 40% + increase in the available oxygen to the micro-organisms that provide the bulk of the sewage strength reduction at the plant. Carson City has used Aqua-Lator aerators for thirty (30) years and knows their issues, how well the equipment is constructed, and what to expect for maintenance and repairs. Reclamation Plant Staff has parts on the self and is extremely experienced in the operation and maintenance of this equipment.

Type of Action Requested: (check one) () Resolution (_X) Formal Action/Motion	Ordinance Other (Specify)		
Does This Action Require A Business Impact Statement: YesX No			

Recommended Board Action: I move to determine that Contract No. 0809-085 is a contract for items which may only be contracted from a sole source and therefore not suitable for public bidding pursuant to NRS 332.115 and to approve Contract No. 0809-085 a request for the purchase of three (3) Aqua-Lator Aerators from Siemens Water Technologies for a not to exceed cost of \$59,682.00 to be funded from the WWTP Upgrade Phase 1A Fund as provided in FY 2008/2009.

Explanation for Recommended Board Action: Pursuant to NRS 332.115 subsection 1 (a), staff is requesting the Board of Supervisors declare that the contract is not adapted to award by competitive bidding.

NRS 332.115 Contracts not adapted to award by competitive bidding; purchase of equipment by local law enforcement agency, response agency or other local governmental agency; purchase of goods commonly used by hospital.

- 1. Contracts which by their nature are not adapted to award by competitive bidding, including contracts for:
- (a) Items which may only be contracted from a sole source; are not subject to the requirements of this chapter for competitive bidding, as determined by the governing body or its authorized representative.

Applicable Statue, Code, Policy, Rule or Regulation: NRS 332.115 subsection 1 (a)

Fiscal Impact: \$59,682.00

Explanation of Impact: If approved the below listed account could be decreased by \$59,682.00

Funding Source: Account Number 515-0000-434-7984, WWTP Upgrade Phase 1A Fund as provided in FY 2008/2009.

Alternatives: Do not approve the purchase and provide alternative action.

Supporting Material: Quote from Siemens Water Technologies and Letter of Exclusivity

Prepared By: Sandy Scott, Purchasing & Contracts Manag	gement Assistant
Reviewed By: (City Manager) (District Attorner) (Finance Director)	Date: $\frac{7/29/08}{29/68}$ Date: $\frac{7/29/68}{29/68}$ Date: $\frac{7/9/01}{29/08}$
Board Action Taken:	
Motion: 1) 2)	Aye/Nay
(Vote Recorded By)	

SIEMENS WATER TECHNOLOGIES

"AQUA-LATOR" Products and Services 11765 Main Street – Roscoe, Illinois 61073

Telephone: 815-623-2111 Fax: 815-623-6416

June 9, 2008

To: Mr. Kyle Menath
Wastewater Operations Chief
Carson City Department of Public Works
3820 East Fifth Street
Carson City, NV 89701

REF: "AQUA-LATOR" AERATOR - LETTER OF EXCLUSIVITY

Dear Mr. Menath,

The Aqua-Lator was first introduced in 1963 and has continued to be a recognized leader in high speed flotation and mixing equipment for over 45 years. As owner of the Aqua-Lator Aerator technology Siemens Water Technologies located at 11765 Main Street, Roscoe, Illinois is the exclusive manufacturer and supplier of the Aqua-Lator high speed floating aerator and Aqua-Lator DDM, down draft mixer.

If you have any questions, or require additional information, please feel free to contact Our local representative, Mr. Will Sullivan at (775) 747-4158 or (775) 997-3134. I can also be reached at the Siemens - Roscoe, Illinois office: (815) 623-2111 extension 121. In my absence, please ask for Willie Harrison.

Sincerely

Municipal Sales Manager

Siemens Water Technologies

Roscoe, Illinois 61073

Tel: (815) 623-2111 ext 121

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ERVICES 11765 Main Street Phone: 815/623-2111 Fax: 815/623-6416

PROPOSED SCOPE OF EQUIPMENT

June 10, 2008

QTE NO.: DF-070423-2R3

TO: My Kyle Menath

Wastewater Operations Chief

Carson City Department of Public Works

3820 East Fifth Street Carson City, NV 89701

C/O: Mr. Will Sullivan

Telephone: 949-458-5555

MISCO - Pacific Division

Fax: 949-459-5500

REFERENCE: Three (3) 50 HP AQUA-LATOR FLOATING AERATORS

Mr Menath:

Siemens Water Technologies is pleased to provide the following proposal for Carson City, NV subject to their review and acceptance within 90 days from the date of this proposal:

50 HP AERATOR OPTIONS:

OPTION 1:

MODEL 5011-"SS" AQUALATOR FLOATING AERATOR

Motor - 50 HP, 1200 RPM, 460V / 3-Phase / 60 Hertz

SS SERIES AERATOR - MATERIALS OF CONSTRUCTION:

Motor Shaft - One-piece 17-4 PH stainless steel

Propeller – 316 stainless steel, dynamically balanced

Discharge Cone 304 stainless steel, iron monolithic casting

Low Trajectory Diffuser - High Density Polyethylene

Volute - 304 stainless steel

Anti-Erosion Intake Assembly - 304 stainless steel

Float - Fiberglass-reinforced polyester shell, filled with closed-cell polyurethane foam

PRICING:

3-5 UNITS: \$20,669.00 each, plus accessories. Freight is included to Carson City, NV.

50 HP AERATOR OPTION 2:

MODEL 5011-"CS" AQUA-LATOR FLOATING AERATOR

Motor - 50 HP, 1200 RPM, 460V / 3-Phase / 60 Hertz

CS SERIES AERATOR - MATERIALS OF CONSTRUCTION:

Motor Shaft - One-piece 17-4 PH stainless steel

Propeller – 316 stainless steel, dynamically balanced

Discharge Cone - Cast nickel, iron monolithic casting, epoxy coated

Low Trajectory Diffuser -- High Density Polyethylene

Volute - 304 stainless steel

Anti-Erosion Intake Assembly - 304 stainless steel

Float - Fiberglass-reinforced polyester shell, filled with closed-cell polyurethane foam

Pricing:

3-5 UNITS: \$ 19,894.00 each, plus accessories. Freight included to Carson City, NV.

<u>ALL PRICES ARE VALID FOR 90 DAYS</u>. AFTER 90 DAYS cost escalations imposed upon Siemens Wster Technologies which result from delay of buyers acceptance of equipment, parts and materials will be evaluated. Due to current instability in various commodities, including petroleum, steel, and stainless steel, Siemens reserves the right to review cost escalations prior to accepting any purchase order.

WARNING: The Aqua-Lator units have a very high velocity hydraulic flow directly beneath the unit. In addition, horizontal surface velocities persist for some distance from the unit. These flow patterns may, in some instances, cause damage to basin bottoms or walls creating leaking potential. In shallow earthen or lined basins, Aerator Products recommends the use of a concrete pad or stainless steel plate on the basin bottom directly beneath the unit. If concrete is known to be nonresistant to the waste, other materials should be investigated. Riprapping or similar means of bank protection can protect basin walls. If basin contains any toxic wastes, user is advised to obtain engineering advice as to basin design and construction necessary to prevent possible erosion and leakage. Aerator Products assumes no liability or responsibility for any damage to basin bottoms or walls, or for any injuries or damages resulting therefrom. NOTE: Stainless steel Anti-Erosion Intake Assemblies have been included in this proposal.

NOTE: Materials and services not specifically described in this proposal are not included in the quoted total price and are to be supplied by others.

THESE COMMODITIES ARE SOLD FOR DOMESTIC CONSUMPTION. ANY EXPORT OF THESE COMMODITIES MUST BE MADE IN COMPLIANCE WITH APPLICABLE U.S. LAWS.

Terms:

Net 30 days, no retention.

Shipping:

Currently, 10 - 12 weeks after acceptance of purchase order and engineer approval.

Freight:

FOB Factory Freight

Freight is <u>included</u> in the quoted prices above. Freight cost valid for 90 days from date of this proposal.

Goods quoted above will be sold subject only to the Terms and Conditions of sale set forth on the following two pages and on the face hereof. Any additional terms are hereby objected to:

Accepted by:	Submitted by:
Company:	Siemens Water Technologies – Roscoe, IL. BY: Daniel Frye
BY:	BY: Daniel Frye
Title:	Title: Municipal Sales Manager
Date:	Date: June 10, 2008

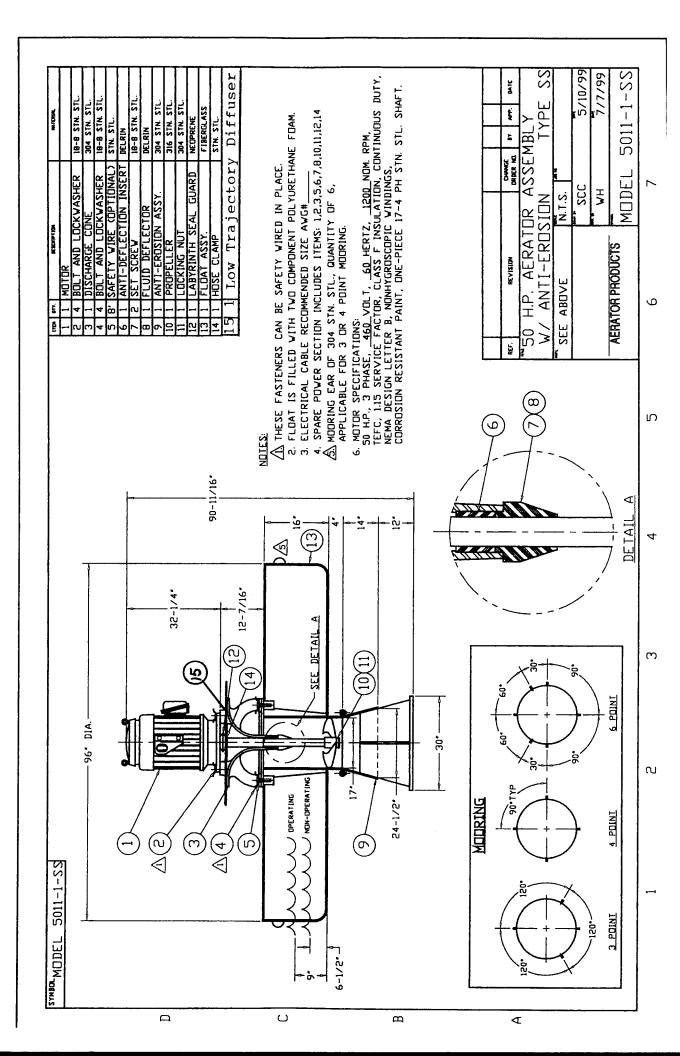
Final acceptance of this proposal must be given to Siemens Water Technologies at their office in Roscoe, Illinois.

No signature Required-They Just weed a copy of the signed P.D. To process the order— Weed to Reference Proposal # DF-070423-2R3

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SIEMENS

Water Technologies Aqua-Lator Systems & Services



STANDARD TERMS OF SALE

- 1. <u>Applicable Terms.</u> These terms govern the purchase and sale of the equipment and related services, if any (collectively, "Equipment"), referred to in Seller's purchase order, quotation, proposal or acknowledgment, as the case may be ("Seller's Documentation"). Whether these terms are included in an offer or an acceptance by Seller, such offer or acceptance is conditioned on Buyer's assent to these terms. Seller rejects all additional or different terms in any of Buyer's forms or documents.
- 2. <u>Payment.</u> Buyer shall pay Seller the full purchase price as set forth in Seller's Documentation. Unless Seller's Documentation provides otherwise, freight, storage, insurance and all taxes, duties or other governmental charges relating to the Equipment shall be paid by Buyer. If Seller is required to pay any such charges, Buyer shall immediately reimburse Seller. All payments are due within 30 days after receipt of invoice. Buyer shall be charged the lower of 1 ½% interest per month or the maximum legal rate on all amounts not received by the due date and shall pay all of Seller's reasonable costs (including attorneys' fees) of collecting amounts due but unpaid. All orders are subject to credit approval.
- 3. <u>Delivery.</u> Delivery of the Equipment shall be in material compliance with the schedule in Seller's Documentation. Unless Seller's Documentation provides otherwise, Delivery terms are F.O.B. Seller's facility.
- 4. Ownership of Materials. All devices, designs (including drawings, plans and specifications), estimates, prices, notes, electronic data and other documents or information prepared or disclosed by Seller, and all related intellectual property rights, shall remain Seller's property. Seller grants Buyer a non-exclusive, non-transferable license to use any such material solely for Buyer's use of the Equipment. Buyer shall not disclose any such material to third parties without Seller's prior written consent.
- 5. <u>Changes.</u> Seller shall not implement any changes in the scope of work described in Seller's Documentation unless Buyer and Seller agree in writing to the details of the change and any resulting price, schedule or other contractual modifications. This includes any changes necessitated by a change in applicable law occurring after the effective date of any contract including these terms.
- 6. Warranty. Subject to the following sentence, Seller warrants to Buyer that the Equipment shall materially conform to the description in Seller's Documentation and shall be free from defects in material and workmanship. The foregoing warranty shall not apply to any Equipment that is specified or otherwise demanded by Buyer and is not manufactured or selected by Seller, as to which (i) Seller hereby assigns to Buyer, to the extent assignable, any warranties made to Seller and (ii) Seller shall have no other liability to Buyer under warranty, tort or any other legal theory. If Buyer gives Seller prompt written notice of breach of this warranty within 18 months from delivery or 1 year from acceptance, whichever occurs first (the "Warranty Period"), Seller shall, at its sole option and as Buyer's sole remedy, repair or replace the subject parts or refund the purchase price therefor. If Seller determines that any claimed breach is not, in fact, covered by this warranty, Buyer shall pay Seller its then customary charges for any repair or replacement made by Seller. Seller's warranty is conditioned on Buyer's (a) operating and maintaining the Equipment in accordance with Seller's instructions, (b) not making any unauthorized repairs or alterations, and (c) not being in default of any payment obligation to Seller. Seller's warranty does not cover damage caused by chemical action or abrasive material, misuse or improper installation (unless installed by Seller). THE WARRANTIES SET FORTH IN THIS SECTION ARE SELLER'S SOLE AND EXCLUSIVE WARRANTIES AND ARE SUBJECT TO SECTION 10 BELOW. SELLER MAKES NO OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE.
- 7. <u>Indemnity.</u> Seller shall indemnify, defend and hold Buyer harmless from any claim, cause of action or liability incurred by Buyer as a result of third party claims for personal injury, death or damage to tangible property, to the extent caused by Seller's negligence. Seller shall have the sole authority to direct the defense of and settle any indemnified claim. Seller's indemnification is conditioned on Buyer (a) promptly, within the Warranty Period, notifying Seller of any claim, and (b) providing reasonable cooperation in the defense of any claim.
- 8. <u>Force Majeure.</u> Neither Seller nor Buyer shall have any liability for any breach (except for breach of payment obligations) caused by extreme weather or other act of God, strike or other labor shortage or disturbance, fire, accident, war or civil disturbance, delay of carriers, failure of normal sources of supply, act of government or any other cause beyond such party's reasonable control.
- 9. <u>Cancellation.</u> If Buyer cancels or suspends its order for any reason other than Seller's breach, Buyer shall promptly pay Seller for work performed prior to cancellation or suspension and any other direct costs incurred by Seller as a result of such cancellation or suspension.
- 10. <u>LIMITATION OF LIABILITY:</u> NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY, SELLER SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR OTHER INDIRECT DAMAGES, AND SELLER'S TOTAL LIABILITY ARISING AT ANY TIME FROM THE SALE OR USE OF THE EQUIPMENT SHALL NOT EXCEED THE PURCHASE PRICE PAID FOR THE EQUIPMENT. THESE LIMITATIONS APPLY WHETHER THE LIABILITY IS BASED ON CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER THEORY.
- 11. Miscellaneous. If these terms are issued in connection with a government contract, they shall be deemed to include those federal acquisition regulations that are required by law to be included. These terms, together with any quotation, purchase order or acknowledgement issued or signed by the Seller, comprise the complete and exclusive statement of the agreement between the parties (the "Agreement") and supersede any terms contained in Buyer's documents, unless separately signed by Seller. No part of the Agreement may be changed or cancelled except by a written document signed by Seller and Buyer. No course of dealing or performance, usage of trade or failure to enforce any term shall be used to modify the Agreement. If any of these terms is unenforceable, such term shall be limited only to the extent necessary to make it enforceable, and all other terms shall remain in full force and effect. Buyer may not assign or permit any other transfer of the Agreement without Seller's prior written consent. The Agreement shall be governed by the laws of the State of Pennsylvania without regard to its conflict of laws provisions.