



Legislation Text

File #: ID#23-0155, **Version:** 1

SUBJECT/RECOMMENDATION:

Authorize an increase to purchase order for Xylem Water Solutions USA, Inc, for the purchase and repair of lift station pumps, in the total amount of \$400,000.00, increasing the not-to-exceed amount for the current year from \$500,000.00 to \$900,000.00; additionally increase Xylem Water Solutions USA's following year contract from \$500,000.00 to \$900,000.00; and authorize the appropriate officials to execute same. (consent)

SUMMARY:

Over the past two years, the cost of purchasing new pumps has nearly doubled, and the cost of repairs has increased significantly as well. In addition, the estimated delivery lead time has quadrupled. Xylem Water Solutions USA, Inc does give the City a 9.5% discount off list prices.

On May 5, 2022, Council approved a sole-source purchase to Xylem Water Solutions USA, Inc in the annual not-to-exceed amount of \$500,000.00. As of March 2023, the remaining available balance is \$9,489.33. Due to the escalating cost of repair parts and new equipment, staff is requesting additional funds in the amount of \$400,000.00 for the current contract year. In addition, staff is requesting that purchase order year two be increased from \$500,000.00 to \$900,000.00.

There are not enough funds available on this year's contract to place orders to repair and/or replace needed pumps. Even though these orders may not be fulfilled until year 2, the department is requesting this increase to guard against violating city code.

APPROPRIATION CODE AND AMOUNT:

Budgeted funds for FY23 are available in various Public Utilities operating cost centers, cost code 550400 Operating Supplies and 546200 Repairs & Svc - Other Equipment.