

# Agenda Report



**MEETING DATE:** Tuesday, November 12, 2024

**TO:** City Council

**FROM:** PUBLIC WORKS & UTILITIES DIRECTOR LINDBERG  
INTERIM WASTEWATER DIVISION MANAGER TELLEZ

**SUBJECT:** FIRST AMENDMENT TO PURCHASE ORDER WITH SOLE  
SOURCE PROVIDER DXP ENTERPRISES, INC. FOR THE  
PURCHASE OF ADDITIONAL WASTEWATER TREATMENT  
FACILITY PUMPS IN THE AMOUNT OF \$361,675.64

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## **RECOMMENDED ACTION:**

Adopt a resolution amending the existing purchase order with DXP Enterprises, Inc., in the amount of \$361,675.64 for the purchase of additional replacement pumps in various locations in the Wastewater Treatment Facility (WWTF), for a total purchase order total amount of \$445,675.64, and authorize and direct City Manager to execute the same.

## **BACKGROUND:**

In August 2024, two Seepex pumps were purchased to replace each of the WWTF's primary sedimentation digester sludge pumps that had failed. The purchase order was for \$84,000, from DXP Enterprises, Inc. as a sole provider of Seepex pumps. The amount did not exceed the \$100,000 purchase limit requiring Council approval. Seepex pumps are currently used in our wastewater system and the need for uniformity of our equipment is critical in keeping replacement parts standardized for emergency response and repairs.

Since then, staff have identified an additional nine (9) pumps in various process areas throughout the WWTF that have reached the end of their expected life, requiring replacement. Failures of any of these pumps can result in catastrophic functioning of the wastewater treatments and equipment processes.

## **DISCUSSION:**

The WWTF has standardized on Seepex pumps in various sludge process areas including the Primary Sludge, Digester Feed, and Belt Press polymer pumps. DXP Enterprises Inc is the sole authorized Seepex provider in this area. Staff requested a quote for the cost to purchase the nine additional pumps in need of replacement.

This equipment purchase is exempt from the City's formal competitive bidding requirements for purchases exceeding \$100,000 under Article 4 of Chapter 5 (Purchasing Procedures) of Title 3 (Finance) of the Watsonville Municipal Code. The specific exemption

is subdivision (c) of Section 3-5.210 “equipment, supplies or nonprofessional services are unique, available only from one (1) source, or sought to match existing equipment or supplies already in use (also known as a sole source purchase)” and also under subdivision d) “Equipment, supplies or nonprofessional services have been uniformly adopted or otherwise standardized in the City.

Staff therefore recommends that Council approve the first amendment to the purchase order with DXP Enterprises Inc. in the amount of \$361,675.64 for the purchase of nine (9) additional Seepex pumps for the WWTF.

**STRATEGIC PLAN:**

This purchase is consistent with the following Strategic Plan goal:

2-Infrastructure & Environment

**FINANCIAL IMPACT:**

Funds for this purchase are available in the Wastewater Enterprise Fund [0710]. \$99,318.26 will be funded from budget account 0710-530-7324 and the balance of \$262,357.38 in budget account 0710-911-7855-14328.

**ALTERNATIVE ACTION:**

No reasonable alternative known. The identified pumps are critical to continued reliable operation of the WWTF.

**ATTACHMENTS AND/OR REFERENCES (If any):**

1. DXP Enterprise Inc. price quotation