City of Stuart

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To: Louis Boglioli. Financial Services Director

David Dyess, City Manager

Subject: Single Source Procurement Date: May 10, 2020

After extensive research, the Public Works Department is recommending a single source procurement of Dowex PSR2 Plus CI Ion Exchange Resin and Westates Coal Based UltraCarb 1240LCD Carbon from Evoqua Water Technologies.

The selection of these products is based on product performance over the past ten (10) months at the City's Ion Exchange Pre-Treatment System at the City's Water Treatment Facility.

Since commissioning the Ion-Exchange Pre-Treatment System we have conducted extensive water quality testing on each of the four (4) Ion-Exchange vessels. Based on the results we have determined a hybrid combination of the PSR2 Plus product as well as a coal based granular activated carbon provides optimum per-fluorinated contaminant removal to levels far below the United States Environmental Protection Agency's Health Advisory Level of Seventy (70) parts per trillion, while providing a reduction in color units in the potable drinking water. (see the attached letter from Kimley-Horn, the City's Engineering Consultant).

The estimated cost to remove, dispose, and replace the contaminated resin in two (2) of the four (4) vessels is $265,961.00. (see the attached quote from Evoqua Water Technologies).

Before reaching the conclusion that the Single Source Procurement was the most cost-effective means of procuring the product, we published a formalized bid via Demand Star. One bid was received that was determined to be non-responsive. The difficulty in this process is that contractors must purchase the products directly from Evoqua and Evoqua provides the same contractual services.

Funds were budgeted and remain available in the 2019/20 Water Treatment Team Operating Budget.

Section 5 of the City's Procurement Policies and Procedures states "The Commission has authorized the City Manager to delegate the authority to execute two party or multi-party procurement contracts that are binding on the City as long as : a) the contracts are valued at less than $50,000.00; b) funds for the project have been appropriated by the City Commission through the annual budgeting process; c) the contract commits the City to no other obligation

than the expenditure of appropriated funds; and d) the vendor was selected in accordance with the City Procurement Policy".

Section 16 of the City's Procurement Policies and Procedures states "A contract may be awarded without competitive selection when the Financial Services Director determines, after conducting a good faith review of available sources, that there may be more than one source for the required goods but due to the exclusive distribution rights of the vendor; or the vendor is the single provider of goods or services which have unique characteristics essential to the operational needs of the using city department and no other product or service will be suitable for use by the using department; or the vendor has special ability to provide unique spare parts or unique emergency repair service; or the vendor has unique historical, institutional knowledge and experience which will provide a continuity of service not available from any other vendor. The Department completes the Single Source form stating why an item should be considered for Single Source procurement. The City Manager will approve all Single Source Procurements over $25,000".

We therefore respectfully request that the City Manager approve this Single Source Procurement as outlined above, and the City Commission authorize the expenditure of funds in the amount of $265, 961.00 as a Single Source Procurement with Evoqua Water Technologies in accordance with the City's Procurement Policies and Procedures.