



City of Pflugerville

Legislation Text

File #: 2019-7481, **Version:** 1

Authorizing the City Manager to approve purchase agreements with Ovivo USA, LLC. for the Biological Nutrient Removal Process Equipment in the amount of \$1,488,590.00 for Phase 1 and \$1,505,691.00 for Phase 2 of the Wastewater Treatment Plant (WWTP) expansion project.

City staff is requesting approval for purchase agreements with Ovivo USA, LLC. for the Biological Nutrient Removal Process Equipment in the amount of \$1,488,590.00 for Phase 1 and \$1,505,691.00 for Phase 2 of the Wastewater Treatment Plant (WWTP) expansion project.

On October 23, 2018, Council approved a resolution authorizing the use of the competitive sealed proposal procurement method for the Central Wastewater Treatment Plant Expansion project, including the preselection of vendors for major treatment process equipment. As explained during a presentation by City staff at the October 23rd meeting, preselecting equipment vendors prior to completing the design of the project will allow the City's engineering design consultant to finalize the design around a single process equipment supplier. This will avoid the need to issue a construction plan set with alternate designs for multiple vendors, which could cause confusion during the construction bidding process and potentially lead to higher bid prices, but will still allow the City to take advantage of the competitive bidding process for procurement of the equipment.

On November 28, 2018, City staff received competitive sealed proposals from vendors interested in providing biological nutrient removal equipment for Phase 1 and Phase 2 of the WWTP expansion project. Although Phase 2 of the project isn't expected to start construction until 2021, the Phase 2 equipment was included with the Phase 1 procurement to allow the City to take advantage of the competitive bidding process for both project phases prior to standardizing on one equipment vendor. As explained during the staff presentation at the October 23rd Council meeting, the equipment procurement contract will include provisions for increasing or decreasing the Phase 2 equipment cost to account for any changes in materials cost between now and early 2021 when the purchase agreement for the Phase 2 equipment will be executed.

After a selection committee that included City staff from the Public Works and CIP Engineering departments reviewed and scored the proposals, the proposal provided by Ovivo USA, LLC was selected as the best value for the City. The best value proposal included equipment for both Phase 1 and Phase 2 of the project at a total cost of \$2,994,281.00. Based on City staff recommendation, the selection of Ovivo as the best value proposal was approved by City Council at the January 22, 2019, meeting.

After negotiations with the product vendor, two purchase agreements totaling \$2,994,281.00 were finalized and have been brought forward for City Council consideration. The equipment purchase agreement executed by the City for the Phase 1 equipment will be reassigned to the general contractor for the construction of Phase 1 of the WWTP expansion project once selected this summer. Once the purchase agreement is reassigned, the contractor will assume all responsibility, including payment for the equipment, under the terms of the equipment purchase agreement.

Likewise the purchase agreement for the Phase 2 equipment will be reassigned when the general contractor is selected for Phase 2 of the WWTP expansion project in early 2021.

Prior City Council Action

City Council approved the selection of Ovivo USA, LLC. for the Biological Nutrient Removal Process Equipment for the Wastewater Treatment Plant (WWTP) project on January 22, 2019.

Deadline for City Council Action

Action is requested on March 26, 2019

Funding Expected: Revenue ☐ Expenditure ☒ N/A ☐

Budgeted Item: Yes ☒ No ☐ N/A ☐

Amount: \$2,994,281.00

1295 Form Required? Yes ☒ No ☐

Legal Review Required: N/A ☐ Required ☒ Date Completed: 3/14/2019

Supporting documents attached:

Contract Agreement

Equipment Location Map

Recommended Action

Approve the purchase agreements with Ovivo USA, LLC. for the Biological Nutrient Removal Process Equipment in the amount of \$1,488,590.00 for Phase 1 and \$1,505,691.00 for Phase 2 of the Wastewater Treatment Plant (WWTP) expansion project.