



Legislation Text

File #: 19-0905, **Version:** 1

TO: Mayor Richard C. Irvin

FROM: David E. Schumacher, P.E., Superintendent of Water Production

DATE: November 14, 2019

SUBJECT:

A Resolution Authorizing a Two-Year Instrumentation Service Agreement with the HACH Company for the Water Production Division

PURPOSE:

To obtain authorization for a two-year Instrumentation Service Agreement with the HACH Company (HACH), Loveland, CO, for routine and emergency maintenance services for existing HACH on-line and laboratory water quality monitoring instrumentation utilized by the Water Production Division (WPD), at a cost of \$132,125.99 (\$65,094.71 for 2020 and \$67,031.28 for 2021).

BACKGROUND:

The WPD utilizes approximately 80 HACH on-line and laboratory instruments for water quality monitoring, process control, and to ensure regulatory compliance. These instruments analyze parameters such as turbidity, pH, chlorine residual, ammonia, and fluoride residual.

DISCUSSION:

Under the proposed agreement, which the WPD has maintained with HACH since 2005, HACH provides regularly scheduled preventive maintenance and calibration service to all instruments covered, prioritized repair service and parts, and loaner instrumentation when needed.

Due to discussions with the Purchasing Division which began in early 2017, the WPD negotiated a two-year agreement with HACH with separate payments to be made at the beginning of each term year. Thus, this agreement renewal would be in effect for the period January 20, 2020 through January 19, 2021 and a second year from January 20, 2021 through January 19, 2022.

The cost of the proposed two-year HACH service agreement is \$132,125.99 (\$65,094.71 for year 1 and \$67,031.28 for year 2). This represents an increase of \$8,861.97 from the 2018 & 2019 two-year agreement (approximately 7.2%) which includes a "locked-in" increase of only 3% for the second year. Both the Purchasing Division and the WPD believe this to provide financial savings to the city over the duration of the two-year agreement.

The agreement is advantageous, in that the WPD is assured of high quality factory authorized maintenance and repair services and is relieved of the cost of carrying its own inventory of spare parts. Perhaps more importantly, service is prioritized by HACH, which can prevent regulatory excursions when instruments for regulated parameters are involved. Because the parts and meter

components are manufactured by HACH, this maintenance agreement is available exclusively through HACH (sole-source).

Funds have been requested in the 2020 City Budget in Account No. 510-4058-511-38-01, and funds will be requested in the 2021 budget similarly.

IMPACT STATEMENT:

None.

RECOMMENDATIONS:

That a resolution authorizing award of a sole-source purchase order, via City Code section 2-335 (a) (3), to the HACH Company in the amount of \$132,125.99 (\$65,094.71 for 2020 and \$67,031.28 for 2021) be approved by the Mayor and City Council. It is further recommended that this matter be submitted to the Finance Committee for review and recommendation.

cc: Finance Committee



CITY OF AURORA, ILLINOIS

RESOLUTION NO. _____
DATE OF PASSAGE _____

A Resolution Authorizing a Two-Year Instrumentation Service Agreement with the HACH Company for the Water Production Division

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals, and welfare; and

WHEREAS, the current Instrumentation Service Agreement for existing analytical instrumentation equipment manufactured by the HACH Company (HACH), Loveland, CO, and utilized by the Water Production Division, will expire on January 19, 2020; and

WHEREAS, this service supports approximately 80 laboratory and on-line water monitoring instruments manufactured by HACH, providing analyses essential to maintaining effective water treatment process control and regulatory compliance; and

WHEREAS, a proposal has been received from HACH, which has provided this service to the City with satisfactory results over an extended period of time, for a two-year service agreement for this instrumentation, for the price of \$132,125.99 (\$65,094.71 for 2020 (Year 1) and \$67,031.28 for 2021

(Year 2)); and

WHEREAS, budgetary authority for this purchase has been requested in the 2020 City Budget in Account No. 510-4058-511-38-01 and will be requested similarly in the 2021 City Budget; and

WHEREAS, in accordance with City of Aurora Code of Ordinances, Section 2-335 (a) (3), the product or service desired is provided by only one (1) source;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Aurora, Illinois, as follows: subject to the approval of this item in the 2020 budget, Hereby authorizes a two-year Instrumentation Service Agreement with HACH Company for the Water Production Division effective January 20, 2020 thru January 19, 2022, and does hereby further authorize its Purchasing Director to issue the necessary orders to implement purchase of same.