

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: JAMES AUSTIN, ACTING WASTEWATER TREATMENT
SUPERINTENDENT, WATER DEPARTMENT
JENNIFER MYLES, PURCHASING AGENT, FINANCE
DEPARTMENT
SUBJECT: WAIVER OF COMPETITIVE PROCESS AND SOLE SOURCE
AWARD FOR ULTRAVIOLET DISINFECTION SYSTEM PARTS
WITH DE NORA WATER TECHNOLOGIES, LLC.

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by Santa Rosa Water and the Finance Department that the Board of Public Utilities, by motion, waive competitive bidding and authorize and award a sole-source Blanket Purchase Order (BPO) for ultraviolet disinfection system parts to De Nora Water Technologies, LLC, in an amount not to exceed \$1,000,000, with any nonstandard terms to be negotiated by the City.

EXECUTIVE SUMMARY

All consumable replacement parts required to maintain the De Nora C3500 D Ultraviolet Disinfection System (System) currently under construction at the Laguna Treatment Plant (LTP) are proprietary to De Nora Water Technologies, LLC. and are only available for purchase from De Nora Water Technologies, LLC. Having an augmented stock of consumable replacement parts on hand for the first wet season's operation immediately following operational testing of the System is recommended to maintain operational resiliency and will be facilitated by the subject BPO.

BACKGROUND

The System is currently in its third year of construction and is scheduled to undergo operational testing in October of this year. Once testing verifies proper function of the System, the System will be turned over to staff to operate, thereby allowing the exiting Trojan™ system to be decommissioned.

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Like the existing Trojan™ disinfection system currently in operation at LTP, the De Nora System includes a range of consumable parts that will require routine replacement based on normal wear and tear and hours of operation. Actual replacement frequency trends can only be determined after several seasons of operation of the System. Given this, and the fact that the 2025-2026 wet weather season will be the first operational condition for the new System, it is deemed strategically advantageous to have additional parts on hand as soon as practical and to have the ability to expedite procurement of additional parts as replacement frequencies dictate. Note that a relatively small quantity of consumable replacement parts are provided with the construction of the System; however, these quantities are not considered sufficient for ongoing operations during the upcoming wet weather operational season.

Consumable replacement parts for the System are manufacturer specific, which necessitates waving competitive bidding and awarding a sole source contract to the supplier, De Nora Water Technologies, LLC.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

The Board has authorized numerous contracts and agreements over roughly the last 10 years in order to advance construction of the System. These include technology selection, engineering, construction management, equipment procurement, and, ultimately, construction contract C00284 with Shimmick Construction which was awarded on May 5, 2022.

ANALYSIS

The proposed amount for the proposed BPO with De Nora Water Technologies, LLC is based on projected annual expenditures plus additional budget to stock parts needed to maintain and operate the System.

Ordering parts on a BPO with fixed pricing will allow staff to order the most commonly used parts as needed, reducing the cycle time to restock inventory, as well as stock parts. Orders placed against the proposed BPO will, cumulatively, not exceed \$1,000,000.

FISCAL IMPACT

Funds required for this operational expense have been appropriated in the fiscal year 2025-2026 Water Department budget. As a regular ongoing operating need, funds for this type of expenditure will continue to be included annually in the proposed Water Department budget.

ENVIRONMENTAL IMPACT

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This action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities, in that the purchase of replacement parts for an existing ultraviolet disinfection system constitutes maintenance and minor alterations of existing public utility facilities involving no expansion of use beyond that previously existing. The action does not approve any new construction, modification, or expansion of capacity, and will not result in a significant environmental impact.

Therefore, no further environmental review is required under CEQA.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not Applicable.

ATTACHMENTS

- Attachment 1 - Sole Source Letter
- Attachment 2 - De Nora Parts Pricing

PRESENTERS

James Austin, Acting Wastewater Treatment Superintendent
Jennifer Myles, Purchasing Agent