

## CITY OF PORT ST. LUCIE UTILITY SYSTEMS DEPARTMENT 900 SE Ogden Lane Port St. Lucie, FL 34983 (772) 873-6400 – TDD Accessible (772) 873-6405 – FAX

Brad E. Macek, Director

TO:

RUSS BLACKBURN, CITY MANAGER

VIA:

JESUS A. MEREJO, CHIEF ASSISTANT CITY MANAGER

FROM:

BRAD E. MACEK, UTILITY SYSTEMS DIRECTOR

SUBJECT:

EMERGENCY REQUEST TO WAIVE BIDDING PROCESS

DATE:

AUGUST 2, 2021

Attached please find an emergency request from Utility Systems Department (USD) Deputy Director, Daniel M. Segui, to waive the bidding process and seek approval to immediately place an initial order of 200 E-One grinder systems (\$270,000) plus spare parts (\$11,183.50). Currently, we are experiencing a shortage of supplies from Myers/Pentair, and they have been unable to provide the USD with the necessary grinder system packages and pumps for the PM side or confirm the status of pending orders. The USD has been placed in an emergency situation and must decide whether our next shipment will be filled with complete grinder systems (tank, pump, and control panel) or only filled with pumps for the PM side.

At this time, it is essential for the USD to enter a contract with E-One to provide their grinder system for the next three to four months. and allow Myers/Pentair time to build up their inventory.

Should you have any questions or require additional information, please do not hesitate in contacting me or Daniel M. Segui, Deputy Director, at your earliest convenience.

c: David Graham, Assistant City Manager
Kristina Ciuperger, Deputy Assistant City Manager
Jeff Snyder, Chief Financial Officer
Natalie Cabrera, Human Resource Director
Kevin Matyjaszek, Assistant Director
Danny Segui, Deputy Director
Julian Lucas, Manager, USD Personnel
Timothy Richards, D&C Administrator
Jeff Labigang, D&C, Manager
Nicole Pesula, Assistant Manager, Budget & Procurement

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## INTEROFFICE MEMORANDUM

To: Brad Macek, Utility Director

From: Daniel Segui, Deputy Director  $\mathcal{D}S$ 

Subject: Emergency Request to Waive Bidding Process -

Purchase of E-One Residential Sewer Systems

Date: August 2, 2021

The Covid Pandemic has impacted the Utility Systems Department (USD) in many ways since March 2020. One of the biggest impacts has been the shortage of sewer grinder system materials needed for new sewer installations, septic to sewer conversions, and maintenance of our existing systems. The Utility has approximately 35,000 Myers Grinder Systems in the Collection System. The maintenance for this type of Low-Pressure Sewer System has always been a concern and as the systems age, the operation and maintenance costs increase, along with sewage backup claims associated with system failure.

The currently used 2hp V2 grinder pump supplied by Myers/Pentair is a critical item needed by the department to provide for new construction, septic to sewer conversions, preventive maintenance (PM) service on the existing 35,000+ grinder systems within the Collection System. We average approximately 220 sewer grinder installations (New Construction and Conversions) and 220 pump replacements per month, based on pump failure and age.

The USD Warehouse has done a tremendous job securing alternative parts which has allowed us to provide uninterrupted essential services to our customers. They place orders three months in advance, however due to increasing supply shortages, there is a projection that the USD will run out of pumps within the month of August.

Currently, we are experiencing a shortage of supplies from Myers/Pentair, and they have been unable to provide the USD with the necessary grinder system packages and pumps for the PM side or confirm the status of pending orders. The USD has been placed in an emergency situation and must decide whether our next shipment will be filled with complete grinder systems (tank, pump, and control panel) or only filled with pumps for the PM side.

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An emergency backup plan to service our customers is necessary. At this time, I am making an emergency request to waive the bidding process and seek approval to immediately place an initial order of 200 E-One grinder systems (\$270,000) plus spare parts (\$11,183.50), as I believe it is essential for the USD to enter a contract with E-One to provide their grinder system for the next three to four months and allow Myers/Pentair time to build up their inventory.

In July 2021, the USD Warehouse ordered 312 "tank packages" and only received 96. As for the "pumps" needed for maintenance, 312 "pumps" were ordered for July 2021, and only 72 were received. Over the years, as the wastewater industry has evolved, different types of pumps have been tested in the USD system. E-One is one of those pumps. That said, management has always had enough foresight to evaluate alternate grinder systems and entered a pilot program with E-One Systems last year. E-One is the founder of the pressure sewer market with over fifty (50) years in business and has more than 750,000 installed units and connects roughly 200 additional homes globally per day.

E-One has proposed working directly with the USD to help take control of the pressure sewer system through improved operational uptime and elimination of costly call outs for an overall drive for lower costs. The simple operating concept for E-One is a level sensing that does not come in contact with the wastewater (elimination of floats: the current annual float replacement cost is \$432,000), a grinder system designed to suspend solids and pass them on, while preventing jamming, and factory trained Utility employees, repairing PSL assets vs a "throwaway" pump (current annual cost for grinder pump replacement is projected to be \$1.8 million).

On August 17, 2020, the department began a Pilot Program to retrofit fifteen (15) Residential Grinder Systems with the E-One Pump System, including an additional three (3) complete E-One Pump System installations added to the Pilot Program in the last year. The Pilot Program completed it's one year mark in August 2021, and it was a success.

Out of the eighteen (18) homes with the E-One system, only one location had repeat maintenance calls (554 NW Kilpatrick Avenue). This location is a residential home serving as an Assisted Living Facility. This location had been identified as an "System Abuse" location by the USD due to the waste stream that was entering the tank. It gave the USD an opportunity to monitor the E-One system in one of the most challenging situations. For example, there was gauze, cloth, and plastics repeatedly removed from the system. Our field staff technicians determined that no type of Low-Pressure Sewer System would have been able to avoid a jammed pump under these conditions. A follow up with the property owners is to be scheduled to place them on notice of Abuse of System. All future costs (labor, equipment, and material) associated with servicing that site's system will

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be charged to the customer. This would be due to negligence and violation of City Code of Ordinance.

Again, with this memo, I am making an emergency request to utilize the E-One grinder systems and waive the bidding process for the next three (3) to four (4) months, for an estimated 600-800 grinder system installations to allow Myers/Pentair the opportunity to work out some quality assurance and quality control issues with their new V2 grinder pumps and replenish their inventory.

Furthermore, in these three to four months, it is projected that our contractor (Accurate Septic) could install between 600-800 E-One Systems in our Collection System. Additionally, at the end of the three (3) to four (4) month trial, the USD will be in a better position to determine if Myers/Pentair will be able to fulfill their contract obligations and provide the necessary grinder complete packages and grinder pumps necessary for the USD customers needs.

Should you have any questions or require additional information do not hesitate in contacting me at your earliest convenience.

/ds

C: Jesus Merejo, Chief Assistant City Manager
David Graham, Assistant City Manager
Kristina Ciuperger, Special Assistant to City Manager
Jeff Snyder, Chief Financial Officer
Natalie Cabrera, Human Resource Director
Kevin Matyjaszek, Assistant Director
Julian Lucas, Manager, Systems Support
Timothy Richards, D&C Administrator
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