



HISTORIC  
FRANKLIN  
TENNESSEE

ITEM #3  
FINANCE  
2-15-11

## MEMORANDUM

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February 9, 2011

**TO:** Budget & Finance Committee of the Board of Mayor & Aldermen

**FROM:** Russell Truell, Assistant City Administrator for Finance & Administration  
Mark Hilty, Water Management Director  
Brian Wilcox, Purchasing Manager

**SUBJECT:** Consideration of sole-source purchase from JWC Environmental of Buford, GA in the total amount of \$25,720 for one (1) reconditioned comminutor to replace a failed unit for the Water Reclamation Facility Division of the Water Management Department (\$27,000 budgeted in 431-89530-52213 for fiscal year 2011)

### Purpose

The purpose of this procurement is to undertake the scheduled reconditioning of one (1) comminutor that is necessary for the proper operation of the Water Reclamation Facility.

### Background

A comminutor is a piece of equipment that is used to grind up or pulverize the contents of the influent (raw wastewater or sewerage) at it enters the City's wastewater treatment plant at 135 Claude Yates Drive. During the May 1-2 rain event, it was under approximately 40 feet of water. This equipment, while intended for use in a wastewater environment, is not meant for submersion. While it is possible that it was damaged by it being submerged, it is difficult to know with certainty the exact cause of failure. One of the plant's comminutors failed in June and was replaced in July and reported to BOMA as an emergency purchase. Another of the plant's comminutors failed in September. The Water Management Department Water Reclamation Division budget for fiscal year 2011 allocates \$27,000 out of the Sewer Fund to replace the core of this comminutor with a reconditioned core.

### Financial Impact

Inasmuch as the reconditioned comminutor core proposed for purchase must match the failed core and must be supplied by the manufacturer, this is a sole-source purchase. The quoted pricing for the reconditioned core, which would be installed by the City employee workforce at the Water Reclamation Facility, equals \$25,720, an amount that is \$1,280 (nearly 5%) under budget. This pricing is the same as for the reconditioned core purchased last July, and is based on the City delivering the failed core to the manufacturer's facility and exchanging the failed core for the reconditioned one. Staff is of the opinion that the quoted pricing represents the lowest unit pricing possible at this time and in the foreseeable future for the indicated quantity, and that the quoted pricing is within what would be expected in the market place for this industry at this time. Staff anticipates that this purchase would be covered by insurance.

### Options

Staff estimates that rehabilitation of this equipment is nearly 40% less expensive than replacing it. It is worth noting that the performance warranty for the new unit is the same as for the reconditioned core.

### Recommendation

Staff recommends that the City accept the pricing quoted by JWC Environmental of Buford, GA and approve the sole-source purchase in the total amount of \$25,720 to purchase one (1) reconditioned comminutor core to replace a failed unit for the Water Reclamation Division of the Water Management Department. Purchasing Manager Brian Wilcox is of the opinion that this proposed sole-source purchase appears to be justified.