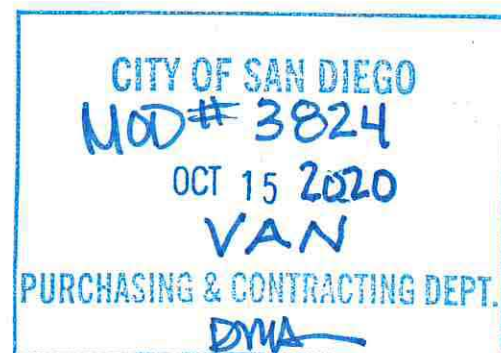


Purchasing and Contracting Department  
Sole Source Request and Certification Form



To: Director of Purchasing and Contracting

Cc: Assistant Chief Operating Officer

From: Craig Boyd, Interim Deputy Director

Date: October 15, 2020

In alignment with the guidance provided in the San Diego Municipal Code section 22.3016, the Purchasing Agent (Director of Purchasing and Contracting) must certify that the award of a sole source contract is necessary by memorializing in writing why strict compliance with a competitive process would be unavailing or would not produce an advantage, and why soliciting bids or proposals would therefore be undesirable, impractical, or impossible.

For consideration, this form must be completed and all required accompanying information must be submitted together, including any related contracts. Failure to do so will result in a delay of approval of the request.

Describe commodity or service(s) to be purchased. Include vendor contact information.

The Public Utilities Department, Wastewater Treatment and Disposal Division (WWTD) executed a product supply agreement, approved through sole source #3824, with Flo-Systems, Inc. on November 13, 2017 for the purchase of Fairbanks Morse brand pumps and related equipment and parts.

The Fairbanks Morse pumps currently installed at the WWTD and other City facilities were originally selected as a result of a competitive award process. The selected pumps were required to meet original design specifications for their respective applications process which were approved by City Engineering. With the award of Fairbanks Morse pumps, the foundation, electrical connections, gland seal connections and discharge piping were built to adhere to fit this particular manufacturer and model pumps. Therefore, due to compatibility with existing equipment and the respective process where the pumps are installed, only Fairbanks Morse pumps, equipment and parts can be used on the current systems.

Utilizing any other vendor or pumps will be significantly costly to the City and will require a complete reconfiguration of the foundation, electrical connections, gland seal and discharging piping. Additional cost include labor to remove and replacement all existing pumps, personnel training on the operation and maintenance of new pumps; creation of new bills of materials (BOM); asset data; preventative and routine maintenance procedures and schedules in the current Computerized Maintenance System (CMMS). This will also require removing old BOMs, asset data, preventative and routine maintenance procedures and schedules in CMMS. Lastly, Fairbank Morse pumps and different types of spare parts are held as part of the City's inventory to remedy issues as they arise and without delay.

This sole source modification requests the approval to add additional locations for Waste Water Collection division not previously included on this contract but were included in the original RFP effort establishing Flo-Systems as a vendor. Prior parts purchase were procured through the quote process as needed. This modification will also increase the contract value from \$1,050,000 to \$3,000,000 through the end of the contract term, June 31, 2022.

Vendor Information:

Flo-Systems, Inc.  
Jessica Soltanieh  
(714) 202-8101  
jessicas@flo-systems.net

### Justification

1. This product or service is available from only one supplier and meets at least one of the following criteria (please check all that are applicable):

- One-of-a-kind/Compatibility*
- a. Required by Warranty: the product matches existing equipment, infrastructure and is required by warranty. **(A letter from the provider which supports this claim must be provided.)**
  - b. Goods and Services:
    - i. the good has no competitive product or alternative on the market.
    - ii. the service requires a special skill, ability, or expertise linked to the current project that cannot be provided by another supplier.

**(Documentation in support of either of the above claims must be provided by the requesting department.)**

- City Standards* The product or service complies with established, existing City standards.

- Replacement* The product or service is the only compatible replacement component that supports a larger system. Or, the services are the only ones that can replace the existing service requirements.

2. Do any of the following situations exist?

- Limited Competition* Department made an attempt to find a second or multiple sources to no avail.

- Emergency* There is an urgent need for the item or service and time does not permit the City to solicit for competitive bids, as in the cases of emergencies as defined under SDMC section 22.3208,. (Delays in solicitation do not satisfy this criteria)

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### Cost/Market Analysis

Purchasing and Contracting will perform due diligence on each request. If Purchasing and Contracting can find a suitable, cost effective alternative, this request will be denied and that alternative will be pursued after your department has been contacted to discuss the revised determination.

This form does not take the place of an agreement and all sole source requests for a period of one year or longer will require the **submission of an agreement**. The requesting department must submit a purchase requisition and a copy of this certification to Purchasing and Contracting for a Purchase Order to be issued.

**PCO Due Diligence (PCO to initial all that apply)**

\_\_\_\_ Proof of warranty or maintenance requirement for standardized and replacement items confirmed.



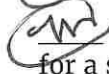
Vendor/Supplier confirmed submission of justification letter.

Market test confirmed that there is no advantage to the City in competing this contracting opportunity to multiple vendors.

\_\_\_\_ Emergency verified with the department.



Pricing agreement has been reviewed.



Purchasing and Contracting has reviewed this request and affirms that this request for a sole source justification is appropriate.

This sole source is approved for:

One (1) year from the signature date below.

For the entire length of the contract, but not more than five (5) years.

The length of the contract must be consistent with the sole source approval. A sole source request must be submitted and approved by the Purchasing and Contracting Director prior to the award of each new contract and prior to each extension of an existing contract that was not contemplated in the initial contract term.

\_\_\_\_ After reviewing the provided information and due diligence, I cannot recommend the approval of this request.

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**Purchasing and Contracting Director Review**

I certify that strict compliance with a competitive process would be unavailing or would not produce an advantage, and that soliciting bids or proposals would be therefore undesirable, impracticable or impossible. My approval is contingent on the information provided in this form.

In accordance with SDMC §22.3016, this request is approved.

Based on the information provided and due diligence recommendation of staff, this request is denied.



Christiana Gauger, *Interim* Director, Purchasing and Contracting

10/15/2020

Date

**FIRST AMENDMENT TO THE AS-NEEDED PRODUCT SUPPLY AGREEMENT WITH FLO-SYSTEMS, INC.**

This First Amendment to the As-Needed Product Supply Agreement (First Amendment) is made and entered into by and between the City of San Diego (City) and Flo-Systems, Inc. (Contractor), also referred to individually as “Party” and collectively as the “Parties.”

**RECITALS**

1. City approved Sole Source #3824, resulting in a contract between the City and Contractor (Contract) to provide as-needed replacement equipment, parts, and materials. The Contract is comprised of the Contract and the City’s General Contract Terms and Provisions.
2. The Contract may be amended by written agreement executed by duly authorized representatives of both Parties.
3. The Parties wish to amend the Contract to change the City’s Contract Administrator, add additional locations and compensation as required for the duration of the contract.

**TERMS**

1. Section 1.2 of the Contract is hereby **DELETED** in its entirety and **REPLACED** with the following:

1.2 **Contract Administrator.** The Public Utilities Department (PUD), Wastewater Treatment and Disposal Division (WWTD) is the Contract Administrator for this Agreement. Contract shall provide Goods and Services under the direction of a designated representative of the Department as follows:

Craig Boyd  
Interim Deputy Director, PUD-WWTD  
9191 Kearny Villa Court  
San Diego, CA 92123  
CBoyd@sandiego.gov

2. Section 3.1 of the Contract is hereby **DELETED** in its entirety and **REPLACED** with the following:

3.1 **Amount of Compensation.** City shall pay Contractor for supply of all goods and services in accordance with this Agreement in an amount not to exceed \$3,000,000.00 or the

amount referenced in the Purchase Order, whichever is less, not cumulatively exceeding \$3,000,000.00.

3. Exhibit A, Scope of Work, III. Product Delivery Requirements, Section A. Delivery and/or Pick-up of the Contract is hereby **REVISED** in part to **ADD** the following locations:

City of San Diego  
Public Utilities Department  
Otay River Pump Station  
1800 Boundary Ave.  
San Diego, CA 92154

City of San Diego  
Public Utilities Department  
Sewer Pump Station 22  
102 Fern Glen Ave.  
La Jolla, CA 92037

City of San Diego  
Public Utilities Department  
Sewer Pump Station 27  
2211 Avenida De La Playa  
La Jolla, CA 92037

City of San Diego  
Public Utilities Department  
Sewer Pump Station 79  
10332 San Dieguito Road  
San Diego, CA 92130

City of San Diego  
Public Utilities Department  
Sewer Pump Station 77A  
18130 West Bernardo Drive  
San Diego, CA 92127

City of San Diego  
Public Utilities Department  
Sewer Pump Station 11  
18130 West Bernardo Dr.  
San Diego, CA 92109

City of San Diego  
Public Utilities Department  
Sewer Pump Station 48T  
1600 Heritage Road  
San Diego, CA 92154

4. This First Amendment will be effective when signed by both parties and approved by the City Attorney in accordance with Charter section 40.

5. All provisions of the Agreement not addressed in this First Amendment remain in full force and effect.

IN WITNESS WHEREOF, this First Amendment is executed by City and Contractor acting by and through their authorized officers.

Flo-Systems, Inc.  
By: [Signature]  
Name: Jessica Soltanireh  
Title: Operations Manager  
Date: 10/13/20

City of San Diego  
By: [Signature]  
Name: Christiana Gauger  
Title: Interim Director  
Purchasing and Contracting  
Date: 10/15/2020

Approved as to form this 16<sup>th</sup> day of Oct., 2020

MARA W. ELLIOTT, City Attorney

By: [Signature]  
Deputy City Attorney  
C. Leone  
Print Name