

Council Communication

Office of the City Manager

Date April 12, 2010

Agenda Item No. 49
Roll Call No. 10Communication No. 10-181

Submitted by: Donald M. Tripp, Director of

Parks and Recreation

AGENDA HEADING:

Approving an exception to the Procurement Ordinance competitive bidding requirements for good cause and approving procurement of two (2) replacement pool heaters at a total cost of \$48,692.

SYNOPSIS:

Recommend approval of sole source purchase of two pool heaters in the amount of \$48,692 from Sentry Valve Company Inc. 13420 Bittersweet Road Woodward, Iowa 50276 (Mark Pleva, Owner). Heaters to be installed at Northwest and Nahas Family Aquatic Centers

FISCAL IMPACT:

Amount: \$48,692

Funding Source: CIP Park Improvements, Swimming Pools and Aquatic Infrastructure, PKS153, CPO40

PKS990000, Page 25

ADDITIONAL INFORMATION:

The existing heaters for Northwest and Nahas were installed in 1992 and 1993 when the aquatic centers were constructed as a part of the 1989 bond referendum and have exceeded their expected life cycle. The proposed heaters are estimated by staff to be 25% more efficient than anything else available. The estimation results from reviewing actual utility costs at Ashworth and Teachout, as these facilities installed the exact same system in 2008 and 2009. The high efficiency heaters recommended for purchase are approximately \$3,000 to \$10,000 less than if the City replaced the existing heater units with identical systems.

The concept for this new style of heater is patent protected and only available from Sentry Valve Company Inc., therefore establishing good cause for this sole source purchase. The City Manager by good cause shown is recommending waiving the competitive procurement process and recommending approval for procurement of these heater units. The technology is similar to that of a car radiator, whereby the heater uses a closed loop system which heats the pipes that are placed within the surge pit of the aquatic facility. This closed loop system also provides less maintenance as the chemically treated pool water, which can cause corrosion, does not pass through the heaters' pumps. Instead the piping heats the surge tank water by conduction. Additionally, due to having similar heating systems throughout the aquatic centers, maintenance staff will be well versed on making any needed repairs or adjustments as each swimming pool will have identical operating systems.

As noted above, the system was installed in two other pools (Ashworth and Teachout) in 2008 and 2009 respectively, with great success, both with ease of maintenance and energy savings. The life expectancy of these new concept heaters is expected to be 33% longer than the existing heaters. These heaters have earned the "Energy Star" efficiency rating and Mid-American energy will rebate the City \$3,600 for these systems.

PREVIOUS COUNCIL ACTION(S):

Date: March 9, 2009

Roll Call Number: 09-426

<u>Action</u>: On Ashworth Pool Filter Replacement: Resolution approving plans, specifications, form of contract documents, Engineer's Estimate and designating lowest responsible bidder as Bergstrom Construction, Inc. (Tom Gorgas, President), \$263,700. (Council Communication No. 09-151) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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