



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Works
Department No.: 054
For Agenda of: 08/22/2023
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Directors, Laguna County Sanitation District

FROM: Department Scott D. McGolpin, P.E., Director, (805) 568-3010
Director(s)
Contact Info: Jeanette Gonzales-Knight, P.E., Interim Deputy Director,
(805) 882-3627

SUBJECT: Request for Waiver on Competition in Purchase of Aquionics, Inc. Maintenance Parts and Services for Laguna County Sanitation District – Fourth and Fifth Supervisorial Districts

County Counsel Concurrence

As to form: Yes

Other Concurrence: Purchasing

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Directors:

- a) Authorize the County Purchasing Agent to waive competitive bidding requirements per County Code Section 2-39(c) to procure maintenance services and replacement parts from Aquionics, Inc. in an amount not to exceed \$200,000 annually, without being required to conduct a formal bid process through June 30, 2028; and
- b) Determine that the above action is not a project under the California Environmental Quality Act (CEQA) pursuant to Section 15378(b)(2) of the CEQA Guidelines, because it is for continuing maintenance activities for the purchase of supplies and maintenance services.

Summary Text:

This item is on the agenda in order to retain a vendor to supply maintenance services and replacement parts for ultraviolet disinfection system used at the Laguna County Sanitation District wastewater reclamation plant for fiscal years 2023-2024 through 2027-2028. The specialized equipment, including ultraviolet lamp bulbs, stainless steel chambers, automatic/mechanical chamber cleaning mechanisms, and control/power panels are exclusively supplied by Aquionics, Inc, who also performs periodic

maintenance services and part replacement as required. Due to the absence of alternative vendors manufacturing this equipment, it is in the best interest of the District to waive the requirement for a competitive bid. County Code Section 2-39(c) allows for a bid waiver to be approved by the Board when there are limitations on the source or supply.

Background:

The Laguna County Sanitation District (District) operates a wastewater reclamation plant that serves the Orcutt and unincorporated Santa Maria area. The water is highly treated and reused for beneficial uses. Disinfection is accomplished through ultraviolet irradiation. Due to the small footprint for the disinfection equipment, an in-line enclosed system (versus open channel) is required. A sole source procurement was approved July 11, 2000 in the amount of \$439,600 to purchase the system from Aquionics, Inc. because this company was the only manufacturer of a California Department of Public Health (now Division of Drinking Water) approved ultraviolet disinfection system for Title 22 applications of recycled water at the time. In 2020, the system was upgraded and rebuilt since its 15-year useful life was exceeded, as approved on August 27, 2019 in the amount of \$540,000.

The District owns and is responsible for the system. The system requires periodic maintenance as expected. Annual maintenance costs approximately \$45,000 and consists of replacing ultraviolet light bulbs as required due to lamp life expectancy. Other anticipated costs include periodic replacement of analyzer meters and lamp drivers, and can be in the range of \$8,000 each. In addition, replacement of stainless steel chambers, automatic/mechanical chamber cleaning mechanisms, and control/power panels may be required as needed. In the event of emergency breakdown of equipment, having this bid waiver will provide the District with the ability to quickly procure the replacement parts and provide maintenance services as needed.

Aquionics, Inc. equipment requires specialized maintenance with parts exclusively manufactured by Aquionics, Inc. Staff requests the Board waive the competitive bid requirement pursuant to County Code Section 2-39(c) due to the limited source of supply. Staff also seeks authorization for the County Purchasing Agent/Chief Procurement Officer to procure maintenance services and replacement parts as needed from the vendor in the amount not to exceed \$200,000 annually; and renew purchase orders for the same not to exceed amount for fiscal years 2023-2024 through 2027-2028. In the event that any of these particular and specialized parts, such as the ultraviolet light bulbs, become available in equal quality, reliability, and effectiveness by other vendors, the parts would be bid.

Performance Measure:

Operation of the wastewater reclamation plant is essential. Maintenance of the ultraviolet disinfection system equipment is required to treat wastewater. This action ensures that the equipment can be maintained.

Contract Renewals and Performance Outcomes:

Vendor has reliably supplied bar screens and wash presses, and performed maintenance services as needed.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

| <u>Funding Sources</u> | <u>Current FY Cost:</u> | <u>Annualized On-going Cost:</u> | <u>Total One-Time Project Cost</u> |
|-------------------------------|--------------------------------|---|---|
| General Fund | | | |
| State | | | |
| Federal | | | |
| Fees | | | |
| Other: LCSD Oper | | \$ 200,000.00 | |
| Total | \$ - | \$ 200,000.00 | \$ - |

Maintenance costs are included in the Laguna County Sanitation District FY 2023-24 Adopted Budget and will continue to be budgeted in the District’s operations and maintenance budget each year, subject to Board approval.

Key Contract Risks:

Contracts with these vendors will be purchase orders with standard terms and conditions. Contracts have medium risk.

Staffing Impacts:

There are no staffing impacts with this action.

Special Instructions:

Direct the Clerk of the Board to forward a certified copy of the minute order to:

- Phung Loman, General Services Department-Purchasing Division, Chief Procurement Officer; and
- Kevin Thompson, Public Works Department, Laguna County Sanitation District Interim Manager

Attachments:

None

Authored by:

Kevin Thompson, P.E., Laguna County Sanitation District Interim Manager, (805) 803-8750

Copy:

Angela Arredondo, Laguna County Sanitation District Cost Analyst I