



Legislation Text

File #: 14-458, **Version:** 1

EXPENDITURE AUTHORIZATION FOR THE PURCHASE OF PARTS AND SUPPLIES FROM A SOLE SOURCE VENDOR, CP MANUFACTURING, INC.

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the expenditure of funds in an amount not to exceed \$120,000 with a sole source vendor, CP Manufacturing, Inc., for the purchase of repair parts and supplies for the City of Glendale Materials Recovery Facility (MRF).

Background

When the MRF began operation in July 2000, CP Manufacturing, Inc. was responsible for design, manufacturing, and installation of the facility equipment. CP Manufacturing, Inc. is the proprietary provider for equipment product and repair projects as a result of receiving the original award of contract during MRF construction.

Along with planned equipment maintenance, the MRF has experienced unscheduled repair and replacement needs due to the aging of equipment. In particular, several conveyor assemblies throughout the facility that move material through the system need replacement.

Analysis

The MRF staff recently evaluated the various conveyor assemblies in the facility and identified that several conveyor belts and components need replacement. CP Manufacturing, Inc. as well as a third party contractor were brought in to evaluate the system, and both companies confirmed that several of the conveyor assemblies are in need of a complete overhaul. The cost estimate on the repair parts for the first conveyor overhaul is approximately \$52,000. Replacement parts from CP Manufacturing for additional conveyor assembly overhauls, along with general maintenance and repairs will be needed before the end of this fiscal year; therefore, the MRF is requesting additional spending authority of \$68,000 for a total dollar amount not to exceed \$120,000.

Materials Management has reviewed and approved the sole source procurement request submitted by the MRF division of the Public Works Department for CP Manufacturing, Inc. The approval is based on conformity to the existing equipment and service.

Previous Related Council Action

In May 2012, Council approved an agreement for a sole source purchase of a sorting line control system

upgrade from Advanced MRF Acquisitions Company, a subsidiary of CP Manufacturing, Inc.

In April 2008, Council approved a purchase order necessary to cover major repairs including the replacement of mechanical and structural components supporting the recycling process equipment system.

In May 2003, Council approved a contract with CP Manufacturing, Inc. for the design and installation of safety equipment at the MRF to protect employees from potential falls.

In October 1999, Council awarded a contract to CP Manufacturing, Inc. for design, manufacturing and installation of the MRF processing equipment.

Community Benefit/Public Involvement

The ability for the MRF to order the parts and supplies necessary to perform the needed repairs will allow for continued, uninterrupted services for the city of Glendale and its citizens.

Budget and Financial Impacts

Funding is available in the fiscal year 2014-15 Landfill Enterprise fund operating and maintenance budget. Expenditures with CP Manufacturing, Inc. are not to exceed \$120,000.

Cost	Fund-Department-Account
\$120,000	2440-17750-523400, Landfill Enterprise Fund - MRF Operations

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?