



Lake Havasu City

Lake Havasu City
Municipal Courthouse
Council Chambers
92 Acoma Boulevard
Lake Havasu City, Arizona
86403
www.lhcaz.gov

Legislation Text

File #: ID 19-2079, Version: 1

COUNCIL COMMUNICATION

TO: Honorable Mayor and Council

FROM: Mike Slettebo, Wastewater Utility Supervisor

SUBJECT:

Approve Renewal of Cooperative Purchase Agreement and Annual Expenditures Over \$50,000 for Various Water and Wastewater Pumps, Equipment, Parts, and Services with Hennesy Mechanical Sales, LLC (*Mike Slettebo*)

FUNDING SOURCE:

Wastewater Utility Fund

PURPOSE:

To approve renewal of the cooperative purchase agreement, and annual expenditures over \$50,000, with Hennesy Mechanical Sales LLC, through its agreement with the City of Chandler, Arizona, under the Strategic Alliance for Volume Expenditures (S.A.V.E.) Agreement (No. WA7-936-3785) in accordance with City Code Section 3.10.010.5(A)(1).

BACKGROUND:

The annual aggregate purchases from Hennesy Mechanical Sales, LLC, during the last three fiscal years have ranged between \$51,852 to \$365,903 for various water and wastewater pumps, equipment, parts, and repair services. It is anticipated that expenditures in this range will be necessary during the term of the proposed agreement and staff seeks approval to make these necessary purchases.

Hennesy Mechanical Sales, LLC, is the exclusive representative for Arizona municipalities for pumps and parts for Fairbanks Morse, Myers and Moyno. In addition, it is the exclusive factory authorized service and repair facility for Fairbanks Morse pump products.

Hennesy Mechanical Sales, LLC, is the original manufacturer and supplier for many of the City's lift stations and treatment plant pumps. The pumps used at these sites are proprietary.

Pumps are typically rebuilt every six or seven years and then replaced (absent any oddities) every 15 to 20 years, but can be destroyed by lightning strikes, power surges or internal damage within the sewer lines.

Lake Havasu City has 48 large lift stations like this one with 102 pumps. There are currently 10 spares, most of which are specific to a location.

COMMUNITY IMPACT:

Utilizing the cooperative purchase agreement for various water and wastewater pumps, equipment, parts and service provides greater efficiency and economy through leveraged pricing.

FISCAL IMPACT:

Sufficient funds for the immediate purchase of the pumps and for the purchase of various items over the course of the agreement are budgeted in the Wastewater Utility and Wastewater Capital Equipment Funds (accounts 533.4210.422.6104 and 531-4210-422.4302).

ATTACHMENTS:

N/A

SUGGESTED MOTION:

I move to approve renewal of the Cooperative Purchase Agreement for an additional two-year term for various water and wastewater pumps, equipment, parts and repair services with Hennesy Mechanical Sales, LLC, for annual expenditures exceeding \$50,000 for the term of this Agreement.