



CITY OF GEARHART

Staff Report

For City Council Meeting - 4/3/2024

Subject - New Business - Funds Request - Hypochlorite Generation System

Synopsis: Public Works Director Mark McFadden is requesting water reserve funds up to \$161,000 to replace the water treatment facility's chlorine system. The following is Mark's request:

The city water treatment facility has a hypochlorite generation system that produces the chlorine required for our water treatment process.

The current system has 30,176 hours of operation on it, and according to the manufacturer, that is over the typical lifespan of this system.

I would like to get this system replaced. The lead time is approximately 6 to 8 months, and that would let us be able to change out the old one in the winter months when production is low.

The cost of the new system is \$160,700. I will be doing the installation.

Council Options:

- 1) Approve the request for funds up to \$161,000;
- 2) Take other action desired by Council;
- 3) Deny the request.

Recommendation: Staff recommends Council motion to approve the request for water reserve funds up to \$161,000 to purchase the replacement chlorine system.

Legal Analysis: N/A

Financial Analysis: The City currently has \$1,269,767 in the water reserve fund. Per Ordinance #934, the attached sole source procurement form will be used. (The manufacturer has trademarked the product.)

Respectfully Submitted,



Chad

SOLE SOURCE PROCUREMENT FORM

ORS 279B.075 Sole-source procurements. (1) A contracting agency may award a contract for goods or services without competition when the local contract review board determines in writing, in accordance with rules adopted under ORS 279A.065, that the goods or services, or class of goods or services, are available from only one source. (2) The determination of a sole source must be based on written findings that may include: (a) That the efficient utilization of existing goods requires the acquisition of compatible goods or services; (b) That the goods or services required for the exchange of software or data with other public or private agencies are available from only one source; (c) That the goods or services are for use in a pilot or an experimental project; or (d) Other findings that support the conclusion that the goods or services are available from only one source. (3) To the extent reasonably practical, the contracting agency shall negotiate with the sole source to obtain contract terms advantageous to the contracting agency.

OAR 137-047-0275 Sole-source Procurements. (1) Generally. A Contracting Agency may Award a Contract without competition as a sole-Source Procurement pursuant to the requirements of ORS 279B.075. (2) Public Notice. If, but for the Contracting Agency's determination that it may enter into a Contract as a sole-source, a Contracting Agency would be required to select a Contractor using source selection methods set forth in either ORS 279B.055 or 279B.060, a Contracting Agency shall give public notice of the Contract Review Authority's determination that the Goods or Services or class of Goods or Services are available from only one source. The Contracting Agency shall publish such notice in a manner similar to public notice of competitive sealed Bids under 279B.055(4) and OAR 137-047-0300. The public notice shall describe the Goods or Services to be acquired by a sole-source Procurement, identify the prospective Contractor and include the date, time and place that protests are due. The Contracting Agency shall give Affected Persons at least seven (7) days from the date of the notice of the determination that the Goods or Services are available from only one source to protest the sole source determination. (3) Protest. An Affected Person may protest the Contract Review Authority's determination that the Goods or Services or class of Goods or Services are available from only one source in accordance with OAR 137-047-0710.

Project Name: _____ **Contract Value: \$** _____

1. Pursuant to ORS 279B.075 (2)(a): Provide findings supporting your determination that the efficient utilization of existing goods requires the acquisition of compatible goods or services from only one source. [Provide clear and concise information to support this determination.]

2. Pursuant to ORS 279B.075 (2)(b): Provide findings supporting your determination that the goods or services required for the exchange of software or data with other public or private agencies are available from only one source. [Provide clear and concise information to support this determination.]

3. Pursuant to ORS 279B.075 (2)(c): Provide findings supporting your determination that the goods or services are for use in a pilot or an experimental project. *[Provide clear and concise information to support this determination.]*

4. Pursuant to ORS 279B.075 (2)(d): Any other findings that support the conclusion that the goods or services are available from only one source. *[Provide clear and concise information to support this determination. If there is more than one finding that supports this determination, please address them independently.]*