



**TO:** Board of Contracts and Awards  
**FROM:** Michael P. Slevin III, P.E., Director, Environmental Services *Fue GMS*  
Judith Scott, Operations and Maintenance Division Manager, Environmental Services  
**COPY:** City Council, City Manager, City Clerk, Joe Parris, Finance/Purchasing, and  
Wayne Reed, Operations and Maintenance Division  
**SUBJECT:** Contract with Granich Engineered Products, Inc. for Fairbanks Morse pumps and parts at  
various pump stations throughout the city – Sole Source – July 8, 2014  
**DATE:** June 24, 2014

**SUMMARY:**

The Environmental Services Department requests a waiver of competitive procurement procedures and recommends a contract be awarded to Granich Engineered Products, Inc., North Bend, WA, in the amount of \$517,000, plus sales tax, budgeted from the ES Wastewater Fund 4300, to repair, refurbish, and replace pumps in order to maintain system performance at the Central Treatment Plant and existing pump stations throughout the city for a three-year term through June 30, 2017.

**STRATEGIC POLICY PRIORITY:**

- Strengthen and maintain a strong fiscal management position.

The cost of engineering, procuring, and installing a new pump station with different pumps, valves, and piping would likely cost more than replacing or repairing existing equipment with parts we can buy directly from the original manufacturer which are guaranteed to work.

**BACKGROUND:**

Several City of Tacoma pump stations were constructed using Fairbanks Morse pumps, including the Grandview and Memorial Park pump stations, Fircrest Bypass Pump Station, Lincoln Ave Bridge Pump Station, Wingate Pump Station, the Central Treatment Plant Influent Pump Station in conjunction with Phase II of the Secondary Treatment Facility Construction, and Pump Station 4102.

**ISSUE:** The current three-year material contract with Granich Engineered Products, Inc., adopted by Purchase Resolution No. 38272 on June 7, 2011, will expire on June 30, 2014. This new contract will provide staff the ability to continue to purchase Fairbanks Morse pumps, pump parts, and repairs on an as-needed basis through June 30, 2017.

**ALTERNATIVES:** Fairbanks Morse has a Geographical contract exclusive with Granich Engineered Products, Inc., and as such, Granich Engineered Products, Inc. is the only authorized distributor. It is unlikely that parts for the Fairbanks Morse pumps could be obtained or replicated from another manufacturer and would not be warrantied.

**COMPETITIVE ANALYSIS:** Waiver of competitive bidding is requested due to sole source. Fairbanks Morse manufacturers and services its own pumps by geographical area. Parts and pumps are only available from an authorized distributor. Granich Engineered Products, Inc. is the authorized distributor for Washington, Oregon, and Northern Idaho.

**CONTRACT HISTORY:** New contract.



**SUSTAINABILITY:** These parts must all be ordered from one manufacturer (Fairbanks Morse) from one supplier (Granich Engineered Products, Inc.). Stocking the correct spare parts allows Wastewater Maintenance to perform necessary preventive maintenance and also allows us to keep necessary parts on hand when unexpected corrective maintenance is necessary.

**SBE/LEAP COMPLIANCE:** Not applicable.

**RECOMMENDATION:**

The Environmental Services Department requests a waiver of competitive procurement procedures and recommends a contract be awarded to Granich Engineered Products, Inc., in the amount of \$517,000, plus sales tax, to purchase Fairbanks Morse pumps, pump parts, and repairs for various pump stations throughout the city for a three-year term through June 30, 2017.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Wastewater Fund 4300	526100		\$517,000
<b>TOTAL</b>			<b>\$517,000</b>

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Wastewater Fund 4300	526100		\$517,000
<b>TOTAL</b>			<b>\$517,000</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** \$100,000

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** Yes



City of Tacoma  
Environmental Services Department

**To:** Kathy Katterhagen  
Procurement and Payables Manager

**From:** Michael P. Slevin III, P.E.  
Environmental Services Director

**Subject:** Waiver of Competitive Solicitation Request – Sole Source Purchase  
Fairbanks Morse manufactured pumps and parts from Granich Engineered Products, Inc.

**Date:** June 24, 2014

For your review and recommendation.

In accordance with Tacoma Municipal Code 1.06.257.A. (Sole Source), the Environmental Services Department, Operations and Maintenance Division, requests a waiver of the competitive solicitation process for Fairbanks Morse manufactured pumps and spare parts for various pump stations and Treatment Plant 1 to repair, refurbish, and replace pumps in order to maintain system performance at Treatment Plant 1 and existing pump stations within the Wastewater Collections System. The sole source vendor is **Granich Engineered Products, Inc., North Bend, WA**. This is an ongoing contract with a three year estimate totaling \$517,000.00, plus sales tax.

**“Follow-on” Contracts:**

Is this sole source purchase based on a contract that was previously competitively bid by the City?  
Yes  No

If “yes”, provide brief history of the initial contract award, bid specification or RFP number, date, etc. Briefly explain relationship of this sole source purchase to previously competitively bid contract.

City pump stations were competitively bid when constructed with Fairbanks Morse pumps installed as part of each pump station specification. Grandview and Memorial Park pump stations: Specification G-222-89, approved by Purchase Resolution No. 35022 on July 25, 1989; Fircrest Bypass Pump Station: Specification G-237-91, approved by Purchase Resolution No. 31456 on September 17, 1991; Lincoln Ave Bridge Pump Station: Specification G-218-00, approved by Purchase Resolution No. 34824 on June 27, 2000; Wingate Pump Station: Specification PW06-0069F, approved by Purchase Resolution No. 36821 on April 4, 2006; Central Treatment Plant Influent Pump Station: Specification G-030-85, in conjunction with Phase II of the Secondary Treatment Facility Construction, approved by Resolution No. 29059 on January 28, 1986; and Pump Station 4102: Specification PW12-0045F, approved by Purchase Resolution No. 38577 on December 4, 2012.

**Waiver Criteria:**

1. Is there more than one feasible supplier of the product or service in the marketplace?  
Yes  No

Briefly explain.

Granich Engineered Products, Inc. is the exclusive representative for Municipal Sales and an authorized service and repair facility for Fairbanks Morse pump products for Washington, Oregon, and Northern Idaho.

2. Please support your contention it would be futile to advertise and competitively bid for the product or service as it would result in only one bid:

a. Describe the screening efforts you engaged in to identify potential suppliers. Include names of potential suppliers, contact person, phone numbers, or addresses.

We contacted Fairbanks Morse and inquired if there were any factory authorized distributors for Fairbanks Morse pumps for the Tacoma area. We were advised that Granich Engineered Products, Inc. is the exclusive factory authorized distributor. See attached letter.

b. Describe any technical or unique product/service attributes that prevent drafting specifications for a competitive bid to which more than one supplier could successfully respond.

We are advised by Fairbanks Morse that the purchase of parts from a distributor other than Granich Engineered Products, Inc. may not be genuine Fairbanks Morse parts and would not be warrantied.

c. Is the product available only through one vendor? Yes  No

If "yes", such certification should be in writing from the manufacturer (not the vendor) and supported by results of the screening process or validated by the Purchasing Division. Written certification attached? Yes  No

Fairbanks Morse states Granich Engineered Products, Inc. is the exclusive representative for Municipal sales and is an authorized service and repair facility for Fairbanks Morse pump products for Washington, Oregon, and Northern Idaho. See attached letter.

d. What efforts were made to assure the City is receiving the lowest or best price possible?

Granich Engineered Products, Inc. stipulates that they offer discounts to the City of Tacoma of at least 10 percent, offered only to their best customers. See attached letter.

Written certification from manufacturer or vendor attached (optional)? Yes  No

e. Is this a one-time purchase? Yes  No  Total amount: \_\_\_\_\_

If "no," estimated total dollar amount over three-year period: \$517,000.00

Other supporting documentation attached? Yes  No

Kathy Katterhagen  
Sole Source – Fairbanks Morse | Granich Engineering Products, Inc.  
June 24, 2014  
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City Contact person: Wayne Reed Phone: 253.502.2137

For: Michael P. Slevin III, P.E.  
Department/Division Head (Please Print)



Department/Division Head Signature  
Date 25 JUN 2014

<b><u>Purchasing Use Only</u></b>	
Approved _____	Rejected _____
None (after the fact) _____	
Date _____	By _____

\_\_\_\_\_  
T.C. Broadnax, City Manager

cc: Chuck Blankenship, Senior Buyer, Finance/Purchasing

6/17/2014



3601 Fairbanks Ave  
Kansas City, KS 66106  
Fax: 800-915-6122  
Cell: 916-474-1203

To: All Municipal Pump Users and Agencies

Re: Fairbanks Morse Municipal Sales Distribution  
Washington and Oregon

To whom it may concern,

Granich Engineered Products is Fairbanks Morse's exclusive distributor for municipal pumps and pump parts in Washington and Oregon. Please feel free to contact me directly if you have any additional questions regarding Fairbanks Morse sales.

Sincerely,

Jerry Eaves  
Western Regional Manager, FMPC



Granich Engineered Products, Inc  
1313 S 96<sup>th</sup> Street  
Seattle, WA 98108  
Phone: 866-859-2940  
Fax: 206-315-2939  
Website: [www.granich.com](http://www.granich.com)

<b>To:</b>	City of Tacoma Attn: Wayne Reed	<b>Fax:</b>	
<b>From:</b>	Ken Hogan	<b>Date:</b>	06/17/14
<b>Re:</b>	Fairbanks Morse contract	<b>Pages:</b>	1

Wayne,

I am writing this letter to confirm that Granich Engineered Products is the exclusive representative for Fairbanks Morse pumps for the municipal water and wastewater market in the states on Washington, Oregon and Northern Idaho. We have a written contract and as such we are the only source of new pumps and parts in our territory. We have had a contract with Fairbanks Morse for over 25 years and have a full service and repair shop in our Seattle facility. We offer you our quoted prices reserved for our very best customers.

Please call me if you have any questions or need additional information.

Regards,

*Ken Hogan*

Ken Hogan  
Granich Engineered Products, Inc

**GRANICH ENGINEERED PRODUCTS, INC**