

COUNCIL ACTION FORM

SUBJECT: **WPC FACILITY PUMP REPLACEMENT PROJECT**

BACKGROUND:

On September 8, 2009, City Council awarded a contract to Flowserve Corporation of Taneytown, Maryland to provide four new vertical turbine pumps to replace the failing first stage trickling filter pump station pumps at the City's Water Pollution Control (WPC) Facility. The total amount of the contract was \$219,492.

The pumps exhibited a number of performance issues upon delivery, and the City and Flowserve entered into an extended discussion as to the cause and possible remedies. Those discussions culminated in an agreement approved by the Council on May 13, 2014, whereby Flowserve agreed to 1) accept a reduced purchase price for one pump performing below the design requirements, 2) modify one pump and provide an extended warranty period, and 3) accept the return of two of the pumps and motors with full credit to the City.

All of the terms of the agreement have been fulfilled by both parties, and no additional funds are due from either party. Therefore, it is appropriate for Council to accept as complete the contract with Flowserve Corporation.

ALTERNATIVES:

1. Accept completion of the WPC Facility Pump Replacement Project with Flowserve Corporation in a final amount of \$104,250.70 in accordance with the agreement authorized by Council on May 13, 2014.
2. Do not accept completion of the agreement at this time.

MANAGER'S RECOMMENDED ACTION:

The pumps provided under this contract did not initially perform as required by the contract documents. Staff negotiated an agreement with Flowserve Corporation whereby Flowserve would accept a reduced price for one pump, would modify one pump, and would cancel the order for two pumps.

The terms of that agreement, approved by Council on May 13, 2014, have been fulfilled, and staff is recommending that the contract be closed out. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby accepting completion of the WPC Facility Pump Replacement Project with Flowserve Corporation in a final amount of \$104,250.70.