

## Council Meeting Staff Report

January 16, 2019

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<b>Agenda No.:</b>	6.D
<b>Indexes (Council Goals):</b>	BCC - N/A
<b>Presenters:</b>	Jack Richardson
<b>Legislative File:</b>	11537-19

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### Title

Approval of the Purchase of an Aerzen Blower from Advanced Process Technologies in the Amount of \$114,365.00, plus Applicable Gross Receipts Tax

### Recommended Action

**I move that the Board of Public Utilities approve the purchase of an Aerzen Blower as outlined in quote E14-24118.R3, from Advanced Process Technologies in the amount of \$114,365.00, plus applicable gross receipts tax.**

### Staff Recommendation

Staff recommends approval of the purchase as requested.

### Body

The purchase of this Aerzen blower and controls is a duplication of a purchase and installation of the same blower and controls in 2015. These blowers and controls are very efficient, resulting in energy [electricity consumption bill] savings of approximately \$100,000 (approximately \$30k per year). The first purchase of the Aerzen blower and controls was executed through a competitive RFQ. To match O&M, quality, parts & supplies (standardization), this subsequent purchase is being executed via a sole source purchase upon review and advice of Los Alamos County Procurement Administration.

Installation will be performed by DPU utilities in-house staff from GWS, Wastewater Treatment, and Water Production divisions. This will include all electrical, pipe fitting & welding, replacement of the MCC equipment, and all other ancillary installation work.

One of the original, less efficient blowers will remain as a contingency backup unit.

### Alternatives

The only alternative is to not purchase the blower equipment and continue using the less-efficient blowers, resulting in continued high energy consumption at the Los Alamos WWTP.

### Fiscal and Staff Impact

Based on the cost savings already realized from the first Aerzen blower and controls, the payback of this duplicate unit will be realized in three to four years. The purchase of this duplicate blower and controls has been budgeted in FY2019 in the O&M budget under WT 2439 8369 "WW LA WWTF CORRECTIVE MAINTENANCE", "Other Contractual Services".

### Attachments

A - E-Mail With Quoted Price from Aerzen Quote E14-24118.R3

*(Note - The actual proposal referenced in the e-mail was marked Confidential & Proprietary by Aerzen and could not be included in the agenda packet.)*