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Department of Utilities
Wastewater Treatment Plant
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To: Chairperson William Siebers and Members of the Finance Committee

From: Utilities Deputy Director, Chris Stempa

Date: April 7, 2022

Re: *Award the Sole Source Purchase of Grit Classifier System #2 Rebuild Parts through Saveco North America Inc. in the amount of \$37,936.*

In 2000, a capital project was completed at the Appleton Wastewater Treatment Plant (AWWTP) that facilitated the transition from an aerated channel grit removal system to a circular vortex chamber and grit classifier system. The original grit classifiers were manufactured by FSM Frankenberger GmbH & Co. Raw wastewater enters the Grit and Screenings Building (B-Building) from which it flows through one of three mechanical bar screens where objects larger than 1/4 inch in diameter are removed. The wastewater then flows into one or both vortex grit removal chambers. Air can be diffused into the channels ahead of the grit chambers to suspend the particulate organic material. Wastewater enters the vortex chamber tangentially, flows around the conical tank and exits parallel to the inlet. The heavy mineral solids or grit settle in the lower hopper from which it is transferred by self-priming centrifugal pumps to the washing and classification system located inside of B-Building.

Following the failure of Grit Classifier #1 in early 2021, an inspection was conducted by the FSM equipment representative, Saveco North America Inc., to assess repair and/or replacement options. A complete list of recommended Original Equipment Manufacturer (OEM) replacement parts was provided based on their inspection that could be incorporated into a maintenance project to restore operation and extend the useful life of the existing grit classifier system.

In August 2021, Saveco North America Inc. (Saveco) provided a quotation for the necessary rebuild parts after completion of the equipment inspection. As the FSM grit classifier equipment OEM, Saveco is the sole distributor of these parts required for the rebuild work. The total quoted cost of the rebuild parts totaled \$30,887 each. As a comparison, the cost of a new grit classifiers totaled \$60,000 (not installed). That purchase was immediately acted upon following Finance Committee approval and Common Council sole source authorization. Unfortunately, the equipment was not received until March 2022 because of substantial supply

chain related delays (note that FSM equipment is manufactured in Germany) which impacted the timeline to advance procurement of the second grit classifier rebuild assembly.

REQUEST FOR QUOTATIONS – OEM SOLE SOURCE PARTS & REBUILD SERVICES

On March 25, 2022, Saveco provided an updated quotation for the second and final grit classifier equipment rebuild assembly which totaled \$37,936. The 23% increase since August 2021 is the result of stainless steel shortages internationally which have been compounded by the conflict in Ukraine. Since the grit classifier equipment is almost entirely comprised by stainless steel, the previously described impact on cost is greater than other types of goods. Similar increases for other stainless steel components have been observed with ongoing projects at the AWWTP.

RECOMMENDATION:

I am requesting sole source purchase award of Grit Classifier System #2 rebuild parts through Saveco North America Inc. in the amount of \$37,936.

If you have any questions or require additional information regarding this project please contact Chris Stempa at 920-832-5945.