

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: May 21, 2025

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AUTHORIZING THE CITY MANAGER, PURSUANT TO SECTION 2-391 OF THE CITY CODE, TO NEGOTIATE AND EXECUTE NEW AGREEMENTS FOR THE PURCHASE OF CITY STANDARDIZED WASTE AND STORMWATER PUMP EQUIPMENT, PARTS, SOFTWARE, AND SERVICE FOR THE CITY'S PUMP STATIONS WITH: (1) XYLEM WATER SOLUTIONS USA, THE SOLE SUPPLIER FOR THE "FLYGT" BRAND PUMP EQUIPMENT, PARTS, SOFTWARE, AND SERVICE (CURRENT AGREEMENT EXPIRES ON MAY 11, 2025); AND (2) HYDRA SERVICE, THE SOLE AUTHORIZED SUPPLIER FOR THE "SULZER" BRAND PUMP EQUIPMENT, PARTS, SOFTWARE, AND SERVICE (CURRENT AGREEMENT EXPIRES ON MAY 21, 2025), WITH THE NEW AGREEMENTS HAVING A TERM NOT TO EXCEED FIVE (5) YEARS, COMMENCING RETROACTIVELY AS OF THE EXPIRATION DATES OF THE CURRENT AGREEMENTS; AND FURTHER, AUTHORIZING PURCHASES OF PUMP EQUIPMENT, PARTS, SOFTWARE AND SERVICES FROM THE FOREGOING VENDORS IN AN AMOUNT NOT TO EXCEED THE AMOUNT APPROPRIATED ANNUALLY FOR THESE PRODUCTS THROUGH THE CITY'S BUDGETING PROCESS FOR EACH FISCAL YEAR.

### **RECOMMENDATION**

The Administration recommends authorizing the negotiation and execution of agreements for the purchase of City standardized waste and stormwater pump equipment, parts, software and service for the City's pump stations with (1) Xylem Water Solutions USA ("Xylem"), and (2) Hydra Service ("Hydra"), for the term not to exceed five (5) years, in the not to exceed amount appropriated annually for these products through the City's budgeting process.

### **BACKGROUND/HISTORY**

The City of Miami Beach ("City") Public Works Department ("Public Works") operates and maintains over 100 submersible pumps.

The purpose of these pumps is to convey wastewater from the City to Virginia Key and the stormwater from City streets. Additionally, these pumps help to mitigate and control flooding conditions in the City during the yearly King Tides.

Section 2-391 of the City Code stipulates that, when a standardization is determined to be in the best interest of the City, the purchase of goods and services may be negotiated with the written approval of the City Manager, and subject to City Commission approval when the amounts exceed the formal bid thresholds established in Section 2-366.

On March 1, 2017, the Mayor and City Commission ("City Commission") approved Resolution No. 2017-29783 and 2017-29784, authorizing the purchase of Sulzer and Flygt, pump equipment, parts, software, service and related items from Hydra, and Xylem, for the purposes of standardizing submersible pumps Citywide, in the not to exceed amount of \$500,000 from each

vendor, annually, for a period of three (3) years. On February 12, 2020, the City Commission approved an extension to the agreement, for an additional five (5) years, set to expire the end of May 2025, via Resolution 2020-31161.

## **ANALYSIS**

Public Works seeks authority to continue to purchase standardized submersible pumps from Sulzer and Flygt, as over the years, the equipment has proven to be of exceptional quality and reliability, provide an expedited replacement of equipment, and have eliminated the need to keep a large inventory from various suppliers.

### **Flygt Pumps**

The City currently has approximately 100 Flygt brand pumps installed in the City's wastewater and storm water infrastructure that requires parts and service. Flygt is a brand of submersible pumps, mixers, and fluid handling technology. The City's Procurement Department ("Procurement") has verified that Xylem is the exclusive authorized supplier for this region. City staff has negotiated an agreement with Xylem, which establishes a 5% percent discount from the Manufacturer's Suggested Retail Price ("MSRP"), for annual sales up to \$500,000, a 7.5% percent discount for annual sales from \$500,001 to \$750,000, and a 10% percent discount for annual sales over \$750,001, with a five (5) year term from the effective date. Upon mutual agreement of both parties, the Agreement may be reviewed and renewed for an additional five (5) years, under the same terms, conditions, and pricing, or as otherwise negotiated and agreed upon in writing.

### **Sulzer Pumps**

Similarly, the City currently has approximately 14 Sulzer brand pumps installed in the City's wastewater and storm water infrastructure that requires parts and service. This brand of submersible pumps is considered high quality, durable, and is used by many different municipalities including Miami-Dade and Orange County. Hydra is the sole supplier of Sulzer pump brand products for the City's geographic region. Hydra offers industry long-term experience, strong technical competencies, and continuous innovation, allowing them to provide outstanding reliability and performance.

City staff has negotiated an Agreement with Hydra, establishing a 10% percent discount from the MSRP for pumps and parts, for annual sales, with a five (5) year term from the effective date. Upon mutual agreement of both parties, the Agreement may be reviewed and renewed for an additional five (5) years, under the same terms, conditions, and pricing, or as otherwise negotiated and agreed upon in writing.

Additionally, Public Works has established the standardization of these submersible pumps and recommends continuing these services in an effort to improve the City's wastewater and stormwater systems. These pumps have proven to help prevent the streets from flooding, and sewage from overflowing onto the streets. Both vendors have demonstrated the ability to service the submersible pumps in a timely and expedited manner, with adequate support needed for long-term operational use of the equipment. Moreover, through this standardization, Public Works has been able to remove previously installed submersible pumps from vendors who are no longer in business or whose parts considered obsolete.

Since the standardization of these products, an approximate \$4.5 Million, has been spent in the purchase of pumps, parts and other services to ensure the City's wastewater and stormwater pump stations' optimal performance. Further, as a result of the expedited procurement process established by Resolution No. 2020-31161 for standardizing of said equipment, Public Works completed its in-house restoration of Terminal Island's Sewer Pump Station #30, which included the replacement of obsolete sewer pumps with Flygt submersible pumps (for years this pump station had remained in an "incomplete" moratorium status and building permits for new construction denied). Since its restoration, the station's moratorium status has been lifted. Most

recently Sewer Pump Station #31, located on Washington Avenue and 3rd Street, has also been restored (the scope included the overhauling of the existing Flygt pumps), was completed without issues in an expeditious manner. As a result, the station's downtime during restoration was significantly reduced.

Overall, the City's experience in dealing with Hydra and Xylem has been a positive one. Parts are readily available compared to other brands, and spare pumps are now in stock for most pump stations, thereby reducing the lead time for delivery of pumps and equipment, but more importantly, reducing pump station downtime during pump failures. Flygt is able to perform preventive maintenance of Flygt pumps on-site, which reduces time and cost associated with the removal and transportation of pumps to pump shops or other facilities. Both vendors also offer free training for City technicians (Sulzer recently provided personnel training to City staff on the operations and maintenance of Sulzer pumping equipment). The outstanding customer service provided by these vendors continues to play a significant role in the advances and improvements made to the City's wastewater and stormwater infrastructure.

Public Works strongly believes that if the newly established pump standard does not continue, the efforts and benefits listed above will be lost. The City's wastewater and stormwater systems have begun to function the way they were intended to operate. As such, the Administration seeks approval to continue to purchase Sulzer and Flygt equipment, parts, software, service and related items.

#### **FISCAL IMPACT STATEMENT**

The purchase of Sulzer and Flygt equipment will be funded by Operating Expenditure accounts No. 425-0420-000343 and 427-0427-000674.

#### **CONCLUSION**

The Administration recommends authorizing the negotiation and execution of agreements for the purchase of City standardized waste and stormwater pump equipment, parts, software and service for the City's pump stations with (1) Xylem and (2) Hydra, for the term not to exceed five (5) years, in the not to exceed amount appropriated annually for these products through the City's budgeting process.

#### **Applicable Area**

Citywide

<b><u>Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?</u></b>	<b><u>Is this item related to a G.O. Bond Project?</u></b>
Yes	No

#### **Department**

Public Works

#### **Condensed Title**

Execute Agmts, Purchase City Standardized Waste & Stormwater Pump Equipment. PW

#### **Previous Action (For City Clerk Use Only)**

