



collections cleans and repairs sewer lines and manholes, responds to overflows and service interruptions, and operations 19 offsite sewer pump stations.

Pump stations pump sewage from a lower to higher elevation so that it can flow downhill to the treatment facility. Key components of a lift station include a wastewater receiving well, pumps, piping, valves, and an equipment control panel with an alarm system. Pumps are the primary and most critical elements of a sewer pump station; pumping wastewater through a pressurized pipe called a force main. Most pumps have specialized components which must be maintained to manufacturer specifications to ensure performance. If not properly maintained, pumps could malfunction, resulting in severe damage or failure. Pump station failures potentially lead to violations of State regulatory requirements and subsequent penalties

The Wood Road Sewer Pump Station (Wood Road) is the City's second largest. It ensures sewer service to the Orangecrest and Mission Grove neighborhoods. At Wood Road, four one-hundred horsepower Fairbanks Morse brand pumps operate in continual rotation- collectively pumping over one-million gallons of sewage daily.

Flo-Services, Inc., is the original equipment manufacturers and factory authorized services provider for Fairbanks Morse pumps within the Southern California and Nevada Services region. On-call maintenance and repair services by the factory authorized services provider ensure pumps are maintained to a set standard and remain available for effective and reliable use.

On June 6, 2023, City Council awarded a contract and agreement with Flo-Services, Inc., of Burbank, California, for on-call repair, maintenance, and services for various sewer lift station pumps for a two-year term in an amount not to exceed \$150,000. On July 29, 2024, the First Amendment to the agreement with Flo-Services Inc. was executed and extended through June 30, 2025, in an amount not to exceed \$275,000. On September 16, 2025, the Second Amendment to the agreement with Flo-Services Inc. was extended for an additional two-year term through June 30, 2026, in an amount not to exceed \$180,000.

## **DISCUSSION:**

Flo-Services, Inc. is the original equipment manufacturer (OEM) and factory authorized service provider for Fairbanks Morse pumps serving Southern California and Nevada. The Fairbanks Morse pumps at the Wood Road sewer pump station are the most important pieces of equipment there. Four of these pumps remain in continual service to provide sewer service to the Orange Crest and Mission Grove neighborhoods.

In addition to primary duty pumps, the Wastewater Division maintains additional pumps on-hand as standby replacements. Maintaining an adequate inventory of contingency pumps was put in place following a large sewer spill in 2005 which resulted in significant penalties to the City and has been the City's practice since. To ensure active and contingency pumps continue to function properly, they must be repaired by the OEM authorized service provider. Flo-Services, Inc. is the OEM factory authorized service center and distributor of OEM components for Fairbanks Morse motor pumps and the only authorized vendor in the region.

A Third amendment to the existing agreement is required due to the upcoming expiration of the Second Amendment. The amendment would allow Flo-Services Inc. to continue providing pump service and repair and sustain efforts to provide effective and reliable sewer service to the City.

Purchasing Resolution 24101, Section 702 “Exception” states “Competitive Procurement through informal procurement and formal procurement process shall not be required in any of the following circumstances: (c) when the procurement can only be obtained from a sole source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated.”

Purchasing Resolution 24101 Section 1104 “Change Orders” states that “Modifications to a Purchase Order shall be made only by Change Order. Subject to the availability of funds, Change Orders may be utilized for purposes of...(2) modify unit prices..., (5) modifying contract completion time or the term of a Contract, or (6) any other change approved by the Manager. Unless otherwise specifically authorized by the Awarding Entity, Change Orders which cumulatively exceed the following will require Awarding Entity approval: c) 10% of the original contract price for Contracts and/or Purchase Orders previously approved by the Awarding Entity and the total Change Order amount will not exceed \$150,000.”

The Purchasing Manager concurs that the recommended action to approve the Amendment is in compliance with Purchasing Resolution 24101, Section 702 and Section 1104.

**FISCAL IMPACT:**

The total fiscal impact of the action is \$300,000 over the two-year extension term of the agreement. Sufficient funds have been budgeted in the two-year FYs 2026-2028 budget, Sewer Fund, Collection System Maintenance, Professional Services account number 4125100-421000. The two-year budget will be presented to Council in June 2026 for adoption.

Prepared by:	Victoria Villegas, Administrative Analyst
Approved by:	Nathan Mustafa, Interim Public Works Director
Certified as to availability of funds:	Julie Nemes, Interim Finance Director Financial Officer
Approved by:	Kris Martinez, Assistant City Manager
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachment:

1. Third Amendment to Services Agreement