



Legislation Text

File #: 17-0193, **Version:** 1

MOTION TO AUTHORIZE THE PURCHASE OF SODIUM CHLORIDE (SOLAR SALT) ON AN AS NEEDED BASIS FROM MORTON SALT, INC., UTILIZING THE SOUTHEAST FLORIDA GOVERNMENTAL COOPERATIVE PURCHASING GROUP (CO-OP) BID # ITB 2017-024 FOR AN ESTIMATED AMOUNT OF \$71,700 PER YEAR.

SUMMARY EXPLANATION AND BACKGROUND:

1. On February 4, 2015, the City Commission adopted proposed resolution # 2015-R-03 to approve the agreement with Operations Management International, Inc. for the Operation, Maintenance and Management of the City Utility System and Customer Service, Meter Reading and Utility Billing Services.
2. As part of this agreement with Operations Management International, Inc., the City is responsible for providing chemicals for the operation of the Utilities Division.
3. The Utility Division uses the chemical, Sodium Chloride (Solar Salt), as part of the water treatment process conducted at the Water Treatment Plant.
4. On March 28, 2017, the City of Boca Raton as lead agency for the Southeast Florida Cooperative Purchasing Group (Co-Op) awarded Bid # 2017-024 "Solar Salt (Bulk) Delivery & Supply" to Morton Salt, Inc. with a unit price per ton delivered of \$119.50 for a one year period commencing on May 31, 2017 and terminating on May 30, 2018 with the option to renew for three (3) additional one year periods.
5. The City of Pembroke Pines uses approximately 600 tons of Sodium Chloride per year at an estimated annual cost of \$71,700 per year (600 tons x \$119.50).
6. Recommend Commission to authorize the purchase of Sodium Chloride (Solar Salt) on an as needed basis from Morton Salt, Inc., utilizing the Southeast Florida Governmental Cooperative Purchasing Group (Co-Op) Bid # 2017-024 for an estimated amount of \$71,700 (600 tons x \$119.50) per year.

FINANCIAL IMPACT DETAIL:

- a) **Initial Cost:** Approximately \$23,900 from May 31, 2017 to September 30, 2017 or \$71,700 per year.
- b) **Amount budgeted for this item in Account No:** \$23,900 in account # 471-533-6031-52430 - Operating chemicals.
- c) **Source of funding for difference, if not fully budgeted:** Not applicable.
- d) **5 year projection of the operational cost of the project:** The agreement is for a one year period commencing on May 31, 2017 and terminating on May 30, 2018 with the option to renew for

three (3) additional one year periods.

	Current FY	Year 2	Year 3	Year 4	Year 5
Revenues	\$0	\$0	\$0	\$0	\$0
Expenditures	\$23,900	\$47,800	\$0	\$0	\$0
Net Cost	\$23,900	\$47,800	\$0	\$0	\$0

e) Detail of additional staff requirements: Not Applicable.