



Legislation Text

File #: 20-0039, Version: 1

MOTION TO APPROVE THE PURCHASE OF CARBON DIOXIDE ON AN AS NEEDED BASIS FROM AIRGAS USA, LLC. UTILIZING THE SOUTHEAST FLORIDA GOVERNMENTAL COOPERATIVE PURCHASING GROUP (CO-OP) BID # T-36-19 FOR AN ESTIMATED ANNUAL AMOUNT NOT TO EXCEED \$179,600 (\$224.50 X 800 TONS OR \$0.11 X 1,632,728 LBS.) PURSUANT TO SECTION 35.18(C)(6) OF THE CITY'S PROCUREMENT CODE.

PROCUREMENT PROCESS TAKEN:

- *Chapter 35 of the City's Code of Ordinance is titled "PROCUREMENT PROCEDURES, PUBLIC FUNDS."*
- *Section 35.18 of the City's Code of Ordinances is titled "COMPETITIVE BIDDING OR COMPETITIVE PROPOSALS REQUIRED; EXCEPTIONS."*
- *Section 35.18(C) states that "Only the following situations are exempt from the competitive bid and competitive proposal requirements of this section:"*
- *Pursuant to Section 35.18(C)(6) of the City's Code of Ordinances, "Cooperative purchasing plans are exempt from this section."*
- *Section 35.21(A)(1) states, "An initial purchase of, or contract for, commodities or services, in excess of \$25,000, shall require the approval of the City Commission, regardless of whether the competitive bidding or competitive proposal procedures were followed."*

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 City of Pembroke Pines Utilities Division utilizes Carbon Dioxide as part of the Water Treatment process conducted at the Water Treatment Plant.
4. The City of Pompano Beach as lead agency for the Southeast Florida Governmental Purchasing Cooperative (Co-Op) issued Invitation for Bid (IFB) #T-36-19 for Carbon Dioxide.

5. Pursuant to Section 35.18(C)(6) of the City's Procurement Code; Cooperative purchasing plans are exempt from competitive bidding.
6. On October 7, 2019, the City of Pompano Beach approved the one (1) year contract with Airgas USA, LLC., commencing October 7, 2019 with two (2) one (1) year renewal options for the purchase of Carbon Dioxide at a cost of \$224.50 per ton or \$0.11 per lb.
7. The City of Pembroke Pines uses approximately 800 tons or approximately 1,632,728 lbs. of Carbon Dioxide per year.
8. Recommend City Commission to approve the purchase of Carbon Dioxide on an as needed basis from Airgas USA, LLC. utilizing the Southeast Florida Governmental Cooperative Purchasing Group (Co-Op) Bid #T-36-19 for an estimated annual amount not to exceed \$179,600 (\$224.50 x 800 tons or \$0.11 x 1,632,728 lbs.) pursuant to Section 35.18(C)(6) of the City's Procurement Code.

FINANCIAL IMPACT DETAIL:

- a) **Initial Cost:** \$179,600 (\$224.50 x 800 tons or \$0.11 x 1,632,728 lbs.)
- b) **Amount budgeted for this item in Account No:** \$179,600 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:** Not Applicable. This is a one year agreement that ends on October 6, 2020, with the option to renew for two additional one year periods.
- e) **Detail of additional staff requirements:** Not Applicable.