



Legislation Text

File #: 20-0172, Version: 1

MOTION TO APPROVE A CHANGE ORDER FOR THE PURCHASE OF SODIUM HYPOCHLORITE 12.5% ON AN AS NEEDED BASIS UTILIZING THE SOUTHEAST FLORIDA GOVERNMENTAL COOPERATIVE PURCHASING GROUP (CO-OP) BID #12006-372 IN THE AMOUNT OF \$149,400 BRINGING THE PURCHASE ORDER TOTAL TO AN AMOUNT NOT TO EXCEED \$227,088, PURSUANT TO SECTION 35.18(C)(6) OF THE CITY'S CODE OF ORDINANCES.

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."*
- *Section 35.28(B) of the City's Code of Ordinance states, "[...] the City Manager is not authorized to approve a change order without authorization of the City Commission where the initial purchase required the City Commission's approval and where the sum of all change orders issued under the contract exceeds 5% of the original contract amount or \$25,000."*

SUMMARY EXPLANATION AND BACKGROUND:

1. The City is responsible for providing chemicals for the operations of the Utilities Division including the Water Treatment Plant and the Waterwater Treatment Plant.
2. The Utility Division utilizes Sodium Hypochlorite 12.5% from Allied Universal Corporation for

the treatment of water and wastewater.

3. On August 7, 2019, the City Commission approved the renewal for the Purchase of Sodium Hypochlorite on an as needed basis from Allied Universal Corporation, utilizing the Southeast Florida Governmental Cooperative Purchasing Group (Co-Op) Bid # 12006-372 commencing October 3, 2019 and ending October 2, 2020.
4. Currently, the purchase of Sodium Hypochlorite 12.5% with Allied Universal, is utilized at the Wastewater Treatment Plant as part of the processing with an estimated annual usage of 156,000 gallons at \$0.498 per gallon for a total annual amount of \$77,688.
5. Due to the installation of a new Sodium Hypochlorite Tank at the Water Treatment Plant, and the cessation of the use of Gas Chlorine, the Water Treatment Plant will begin using Sodium Hypochlorite 12.5% for disinfection. The Water Treatment Plant has an estimated annual usage of 300,000 gallons at \$0.498 per gallon for a total annual amount of \$149,400.
6. Pursuant to Section 35.28(C)(6) of the City's Code of Ordinances, "Cooperative Purchasing Plans are exempt from Competitive Bidding."
7. Pursuant to Section 35.28(B) of the City's Code of Ordinances, "The City Manager is not authorized to approve a change order without the authorization of the City Commission where the initial purchase required the City Commission's approval and where the sum of all change orders issued under the contract exceeds 5% of the original contract amount or \$25,000."
8. Request City Commission to approve a change order for the purchase of Sodium Hypochlorite 12.5% on an as needed basis utilizing the Southeast Florida Governmental Cooperative Purchasing Group (Co-Op) Bid 12006-372 in the amount of \$149,400 bringing the purchase order total to \$227,088 pursuant to Section 35.18(6) of the City's Procurement Code.

FINANCIAL IMPACT DETAIL:

a) Initial Cost: \$227,088

b) Amount budgeted for this item in Account No: \$77,688 in account # 471-535-6022-52430 (Operating Chemicals) & \$149,400 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:

Current FY	Year 2	Year 3	Year 4	Year 5
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Revenues	N/A	N/A	N/A	N/A	N/A
Expenditures	\$151,392	N/A	N/A	N/A	N/A
Net Cost	\$151,392	N/A	N/A	N/A	N/A

e) Detail of additional staff requirements: Not Applicable.