



City of Hallandale Beach

City Commission Agenda Cover Memo

Meeting Date:		File No.:	Item Type:		1 st Reading	2 nd Reading
11/20/2024		24-475	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Other	Ordinance Reading	N/A	N/A
				Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
				Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
				Quasi-Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
Fiscal Impact (\$):		Account Balance (\$):		Funding Source:	Project Number:	
\$175,000		1,285,475.00		3320W-552060	N/A	
Contract/P.O. Required		RFP/RFQ/Bid Number:		Sponsor Name:	Department:	
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	City of Coral Springs Contract BID # 22-C-268F – Sodium Hexametaphosphate		Jeff Odoms, Director	Public Works	
Strategic Plan Focus Areas:						
<input type="checkbox"/> Fiscal Stability		<input checked="" type="checkbox"/> Resident Services	<input checked="" type="checkbox"/> Public Safety	<input checked="" type="checkbox"/> Infrastructure & Mobility	<input type="checkbox"/> Economic Development & Affordable Housing	
Implementation Timeline:						
Estimated Start Date: 11/20/2024				Estimated End Date: 8/16/2025		

SHORT TITLE:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING UTILIZATION OF THE CITY OF CORAL SPRINGS'S AGREEMENT WITH CARUS, LLC PURSUANT TO BID # 22-C-268F, TO PROCURE SODIUM HEXAMETAPHOSPHATE (SHMP) FOR FISCAL YEAR 2024-25 IN A TOTAL NOT TO EXCEED AMOUNT OF ONE HUNDRED, SEVENTY-FIVE THOUSAND DOLLARS (\$175,000); AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

Staff seeks the City Commission's approval of the attached Resolution authorizing the City Manager to purchase Sodium Hexametaphosphate (SHMP) in 50 pounds bags from Carus, LLC utilizing the City of Coral Springs' contract BID # 22-C-268F in the total not to

exceed amount of \$175,000 for Fiscal Year 2024-2025 and to execute all related documents to effectuate the purchase.

Background:

In the past the City's expenditure for SHMP has been incrementally increasing year by year. The values in the table below reflect the amounts expended for SHMP during previous and current fiscal years.

<u>Fiscal Year</u>	<u>Amount Spent</u>	<u>Consumption (lbs.)</u>
2020	\$41,244	41,660
2021	\$39,501	39,900
2022	\$76,710	47,061
2023	\$135,387	44,830
2024	\$119,826	37,800

To ensure flexibility and redundancy during the water filtration phase of the water treatment process, the Department of Public Works (DPW) typically operates both the Lime Plant and the Reverse Osmosis (RO) Skids concurrently. Each system contributes roughly 50% of the finished water, or approximately 3.5 million gallons per day (MGD). When maintenance or improvements are required on one system, the other assumes an increased load to sustain water output.

At present, maintenance is underway on the Lime Plant, resulting in increased production from the RO system. Conversely, in 2022 and 2023, the Lime Plant was more heavily utilized due to maintenance on the RO system, leading to higher consumption of sodium hexametaphosphate (SHMP). Annual SHMP consumption averages between 40,000 and 43,000 pounds.

The City of Coral Springs awarded Contract No. 22-C-268F for the purchase of Sodium Hexametaphosphate ("SHMP"), which is used during the water treatment process, valid from August 17, 2022, through August 16, 2023, with the option to renew thereafter for five (5) one-year renewal periods. At the time of the award, the per pound price of SHMP was \$2.82 (Exhibit 3). On May 26, 2023 the City of Coral Springs exercised the first renewal period, which provided a new expiration date of August 16, 2024 and approved a price adjustment to \$3.17 per pound. On July 3, 2024 the City of Coral Springs exercised the second renewal period, which provided a new expiration date of August 16, 2025.

Current Situation:

This product is required in the lime plant filters since it is an excellent deflocculant, a property that helps to prevent the forming of large deposits in the filters and facilitates cleaning the filters in the filter backwash process.

The City of Coral Springs, per the Agreement, approved a 7% increase of the contracted price with Carus, LLC on October 27, 2022, from \$2.82 to \$3.02 per pound of SHMP. Subsequently, the City of Coral Springs approved the first of five (5) one-year renewals effective August 17, 2023, through August 16, 2024. (Exhibit 4).

The City of Coral Springs, effective August 16, 2024, approved a one-year renewal through August 16, 2025. This renewal is the second of five (5) one-year renewal periods allowed, per the Agreement between the City of Coral Springs and Carus, LLC, a cost adjustment of 5% was approved increasing the cost of SHMP from \$3.02 to \$3.17 per pound (Exhibit 5).

For FY 2024-2025, Staff estimated utilizing approximately 47,319 lbs. of SHMP, the annual average has been 42,250 lbs. Staff will continue to monitor the usage, as demand for water increases, we expect the consumption of SHMP to increase accordingly.

Why Action is Necessary:

Pursuant to Chapter 23, Section 23-8 Exception to Bid Requirements, (6) Bids and Contracts from Other entities, and Section 23-9 Cooperative Purchasing, the City Manager is authorized to procure all supplies, materials, equipment and services from other governmental units, when the best interests of the City would be served subject to the requirement that any purchase in excess of \$50,000 requires City Commission approval.

Cost Benefit:

The cost of chemicals, in general, is very volatile and subject to rapid increases. The current cost of SHMP is approximately 85% higher than it was about 4 years ago. Utilizing this competitively bid piggyback agreement is the best option for the City given the current market conditions which shows a continued trend of price increases associated with chemicals.

PROPOSED ACTION:

The City Commission considers the attached Resolution.

ATTACHMENT(S):

Exhibit 1 – Proposed Resolution
Exhibit 2 – ITB No. 22-C-268F – Sodium Hexametaphosphate
Exhibit 3 – Contract No. 22-C-268F Award
Exhibit 4 – Renewal #1 and Price Adjustment
Exhibit 5 – Renewal #2 and Price Adjustment

Prepared By: Troy Gies
Troy Gies
Assistant Director of Public Works

Reviewed By: Jeff Odoms
Jeff Odoms
Director of Public Works

Approved By: Noemy Sandoval
Noemy Sandoval
Assistant City Manager