



Hallandale Beach
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400 South Federal Hwy
Hallandale Beach, FL 33009

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	October 4, 2017		Item Type: <small>(Enter X in box)</small>	Resolution <div style="text-align: center;">X</div>	Ordinance	Other
Fiscal Impact: <small>(Enter X in box)</small>	Yes	No	Ordinance Reading: <small>(Enter X in box)</small>	1st Reading		2nd Reading
	X		Public Hearing: <small>(Enter X in box)</small>	Yes	No	Yes
				X		X
Funding Source:	Water Fund, Production Division, Chemical and Lab Supplies. 490-3320W-552060		Advertising Requirement: <small>(Enter X in box)</small>	Yes		No
Account Balance:	\$80,000 itemized for sodium hypochlorite in FY17/18 budget		Quasi-Judicial: <small>(Enter X in box)</small>	Yes		No
						X
Project Number :	N/A		RFP/RFQ/Bid Number:	ITB No. 150451 (City of Leesburg, FL)		
Contract/P.O. Required: <small>(Enter X in box)</small>	Yes	No	Strategic Plan Priority Area: <small>(Enter X in box)</small>			
	X		Safety <input type="checkbox"/>			
			Quality <input checked="" type="checkbox"/>			
			Vibrant Appeal <input type="checkbox"/>			
Sponsor Name:	Roger M. Carlton, City Manager		Department: Public Works	Steven F. Parkinson, P.E., PWLF, Assistant City Manager/ Director of Public Works		

Short Title:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING THE CITY MANAGER TO PURCHASE SODIUM HYPOCHLORITE PURSUANT TO INVITATION TO BID NUMBER 150451 BETWEEN THE CITY OF LEESBURG,

FLORIDA AND ODYSSEY MANUFACTURING COMPANY FLORIDA IN AN AMOUNT NOT TO EXCEED EIGHTY THOUSAND (\$80,000) DOLLARS WHICH WILL INCLUDE THE INSTALLATION, USE, AND MAINTENANCE OF THREE (3) 3,000 GALLON BULK STORAGE TANKS; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS TO EFFECTUATE THE PURCHASE AS PROVIDED FOR IN THE FISCAL YEAR 2017-2018 BUDGET; AND PROVIDING FOR AN EFFECTIVE DATE.

Staff Summary:

Background:

The City of Hallandale Beach oftentimes utilizes (piggybacks) contracts negotiated by other cities in order to benefit from the cost savings that these contracts allow. In the past, the City has utilized the City of Stuart's ITB No. 2015-293 in order to purchase sodium hypochlorite from Allied Universal Corporation (Exhibit 2) (Exhibit 3). Sodium hypochlorite is used as a disinfectant to help maintain bacteria free water in our on-site water storage and in the City-wide distribution system. This contract also contains a lease agreement for the bulk tanks that the City uses to store sodium hypochlorite (Exhibit 4).

This year, staff recommends utilizing the City of Leesburg's ITB No: 150451 to purchase sodium hypochlorite to realize further cost savings and to transition to owning the bulk storage tanks.

Current Situation:

ITB No: 150451 was released by the City of Leesburg on August 3, 2015 and responses were due on August 18, 2015 by 2:00pm (Exhibit 5). Two (2) sealed bids were received. One (1) from Allied Universal Corporation and one (1) from Odyssey Manufacturing Company. Allied submitted a price of \$.578 per gallon and Odyssey submitted a price of \$.56 per gallon.

The Leesburg, FL City Commission awarded ITB No: 150451, Liquid sodium Hypochlorite, to Odyssey Manufacturing Company during its September 14, 2015 meeting. The contract term is valid until September 30, 2018 and has the option of providing for two (2) additional one (1) year renewals (Exhibit 6). The price of \$.56 is fixed and there are no fuel surcharges, delivery fees or other hidden charges.

ITB No: 150451 allows for Odyssey to convey its prices, contract terms and conditions to municipalities or other governmental agencies (Exhibit 7) (Exhibit 8). As such, the City of Hallandale Beach may utilize Leesburg's contract with Odyssey to purchase sodium hypochlorite during FY17/18.

Odyssey has agreed to furnish and install three (3) 3,000 gallon sodium hypochlorite tanks inside the existing concrete containment at the Water Treatment Plant at no charge. (The City currently leases its tanks from Allied). Odyssey will complete all the necessary piping in order to create a functional system. At the end of two years of sodium hypochlorite service, the City will own these tanks and the associated

pipng at no charge. In the interim, Odyssey will perform any required maintenance or change-outs on these tanks. In the event that the City of Leesburg does not renew its contract after September 30, 2018, Odyssey will allow the City of Hallandale Beach to piggyback on another Odyssey contract of the same or lower amount. If such a contract is unavailable, Odyssey agrees that ownership of its tanks and piping would immediately revert to the City of Hallandale Beach effective September 30, 2018 (Exhibit 9).

The City currently leases its three (3) tanks from Allied at a rate of \$30/year plus a surcharge of \$.01 per gallon. The City uses approximately 85,000 gallons of sodium hypochlorite per year. The average cost of leasing the storage tanks is about \$880 a year in total. The average life of a storage tank such as this is approximately 10 years. Staff has determined that it will be more cost effective in the long term to own rather than lease the storage tanks.

Staff recommends purchasing sodium hypochlorite from Odyssey, rather than Allied, during FY17/18 due to the associated cost savings.

The initial term of this agreement is valid from the date of award through September 30, 2018, and includes an option to renew the agreement for an additional period not to exceed an aggregate of three (3) additional years.

Fiscal Impact

The following values represent FY16/17 and FY15/16 sodium hypochlorite expenditures:

- FY16/17: \$43,808 (as of 08/29/2017)
- FY15/16: \$55,707

Staff anticipates the FY17/18 expenditure to be \$80,000. Accordingly, staff is bringing forth this agenda item for City Commission consideration. The budgeted amount for sodium hypochlorite for FY17/18 is significantly higher than what was spent in previous years due to the fact that the City is considering implementing a chlorine application point in the filter backwash line. This will help prevent problems in the filters and will improve filter performance. This process will also increase the number of hours that occur between filter backwashes and will result in water savings.

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. As the requested expenses are above the City Manager's purchasing authority, City Commission approval is necessary.

Proposed Action:

Staff recommends approval of the attached Resolution authorizing the City Manager to use ITB No: 150451 between the City of Leesburg, Florida, and Odyssey Manufacturing Company, for the purchase of sodium hypochlorite in the total amount not to exceed \$80,000 dollars.

Attachment(s):

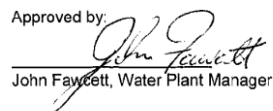
Exhibit 1 – Resolution
Exhibit 2 – Resolution 2016-153
Exhibit 3 – Stuart Allied Tank Contract Renewal
Exhibit 4 – Allied Tank Lease
Exhibit 5 – ITB 150451 – Liquid Sodium Hypochlorite
Exhibit 6 – Agreement – Odyssey Manufacturing
Exhibit 7 – Authorization to Piggyback from Leesburg
Exhibit 8 – Odyssey Sodium Hypochlorite Authorization
Exhibit 9 – Tank Ownership Authorization

Prepared by:



Susan Fassler

Approved by:


John Fawcett, Water Plant Manager