

AGENDA ITEM REPORT

DATE: August 16, 2022
DEPARTMENT: Utilities
REQUESTER: Pamela Keyes
TITLE: Amend Contract for Sodium Hypochlorite for Water & Wastewater Facilities

I. MOTION REQUESTED

- A) Approve Amendment No. 2 for the Requested Price Increase of 85.6%, to Allied Universal Corporation, for the renewal of the annual contract under B200320DWJ Sodium Hypochlorite for Water & Wastewater Facilities, through August 31, 2023, for all line items listed in the attached Tab Sheet.
- B) Grant the County Manager or designee the authority to execute any documents associated with the price increase on behalf of the Board of County Commissioners.
- C) Approve expenditures for the supply and delivery of sodium hypochlorite, on an as-needed basis, from Allied Universal Corporation, under Solicitation No. B200320DWJ, as approved in the departments' annual adopted budgets.

II. ITEM SUMMARY

Provides Allied Universal Corporation a Requested Price Increase from \$0.536 per gallon to \$0.995 per gallon and renews the annual contract for the supply and delivery of sodium hypochlorite—commonly known as bleach—on an as-needed basis through August 31, 2023. The contract provides for annual price adjustments when warranted; the price increase is due to supply chain and logistics issues and the rising cost of imported raw materials. The total previous twelve-month spend with Allied Universal was \$763,223.82. Sodium Hypochlorite solution is used as a primary disinfectant at all water and wastewater treatment plants. Pricing will be renegotiated or rebid once market conditions change.

III. BACKGROUND AND IMPLICATIONS OF ACTION

A) Board Action and Other History

On September 1, 2020, the Board of County Commissioners awarded B200320DWJ Sodium Hypochlorite for Water & Wastewater Facilities, to Allied Universal Corporation, as the primary vendor and Odyssey Manufacturing Co, as the secondary vendor to provide the supply and delivery of sodium hypochlorite on an as-needed basis. The original term of the contract was for an initial one-year term with an option to renew for three additional one-year periods.

On August 3, 2021, the Board of County Commissioners approved Amendment No. 1 for a price increase from \$0.516 to \$0.536 per gallon and renewed the contract through August 31, 2022.

Current Board Approval will allow for a price increase from \$0.536 to \$0.995 per gallon and renew the contract through August 31, 2023.

B) Policy Issues

C) BoCC Goals

D) Analysis

Allied Universal submitted all required documentation to Procurement to renew the contract for an additional one-year period and increase the price from \$0.536 to \$0.995. The price increase is due to supply chain and logistics issues and the rising cost of imported raw materials. The secondary vendor, Odyssey Manufacturing, did not wish to renew due to the same circumstances, and they are reducing the area that they supply and only retaining customers close to their manufacturing facility in Tampa, FL. Pricing will be renegotiated or rebid once market conditions change.

E) Options

IV. FINANCIAL INFORMATION

A)	Current year dollar amount of item:	\$1,416,543
B)	Is this item approved in the current budget?	Yes
C)	Is this a revenue or expense item?	Expense
D)	Is this Discretionary or Mandatory?	Discretionary
E)	Will this item impact future budgets? If yes, please include reasons in III(D) above.	No
F)	Fund: Utilities Operating	

	Program: Utilities Project: Sodium Hypochlorite Annual Contract Account Strings: Various Operating Budgets	
G)	Fund Type?	Enterprise
H)	Comments: Expenditures will be as needed and within the department's annual adopted budgets.	

V. RECOMMENDATION

Approve

VI. TIMING/IMPLEMENTATION

VII. FOLLOW UP

ATTACHMENTS:

Description	Upload Date	Type
<u>B200320DWJ - Sodium Hypochlorite for WTP - Allied Universal - Amnd NO. 2 OCR</u>	7/13/2022	Budget Amendment

REVIEWERS:

Department	Reviewer	Action	Date
Utilities	Tucker, Mary	Approved	8/3/2022 - 1:52 PM
Utilities	Keyes, Pamela	Approved	8/3/2022 - 2:18 PM
Budget Services	Guttery, Angela	Approved	8/4/2022 - 11:31 AM
Budget Services	Winton, Peter	Approved	8/4/2022 - 3:39 PM
County Attorney	Swindle, Amanda	Approved	8/4/2022 - 4:32 PM
County Manager	Salyer, Glen	Approved	8/9/2022 - 9:31 AM