

AGENDA ITEM REPORT

DATE: August 1, 2023
DEPARTMENT: Utilities
REQUESTER: Pamela Keyes
TITLE: Amend Contract for Sodium Hypochlorite for Water and Wastewater Facilities

I. MOTION REQUESTED

A) Approve Amendment No. 3 to the contract with Allied Universal Corporation, under Solicitation No. B200320DWJ, Sodium Hypochlorite for Water & Wastewater Facilities, to increase the price of Sodium Hypochlorite to \$1.36 per gallon.

B) Approve contract renewal for the purchase of Sodium Hypochlorite, from Allied Universal Corporation., under Solicitation No. B200320DWJ, through August 31, 2024, as approved in the departments' annual adopted budgets.

C) Authorize the County Manager or designee to execute the amendment on behalf of the Board of County Commissioners.

II. ITEM SUMMARY

Approves an amendment to the annual contract with Allied Universal Corporation to increase the cost of sodium hypochlorite. The vendor submitted the required documentation to Procurement Management to renew the contract for an additional one-year period and increase the price from \$0.995 to \$1.36 per gallon. The price increase is due to the rising cost of imported raw materials. The total previous twelve-month spend with Allied Universal is \$1,119,158.92. Sodium hypochlorite solution is used as a primary disinfectant at all water and wastewater treatment facilities. The contract will be rebid in Fiscal Year 2024. The current contract expires August 31, 2024.

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 and 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.

On August 16, 2022, the Board of County Commissioners approved Amendment No. 2 for a price increase from \$0.536 to \$0.995 per gallon and renewed the contract through August 31, 2023.

Current Board Approval will allow for a price increase from \$0.995 to \$1.36 per gallon and renew the contract through August 31, 2024.

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 \$0.995 to \$1.36 per gallon. The price increase is due to the rising cost of imported raw materials. The secondary vendor, Odyssey Manufacturing, did not wish to renew due to the same circumstances in addition to reducing the area they supply to and only retaining customers close to their manufacturing facility in Tampa, FL. Pricing will be renegotiated once market conditions change. The average overall price increase is estimated to add an additional \$410,731.32 annually, as detailed in the Historical Pricing Summary table.

**Sodium Hypochlorite for Water & Wastewater Facilities - Annual
B200320DWJ - Allied Universal**

Expenditure History			
Contract Price	Unit Price (per gallon)	5/1/21-4/30/22	5/1/22-4/30/23
Amendment I	\$0.536	\$ 753,809.03	\$ -
Amendment II	\$0.995	\$ -	\$ 1,119,158.92
Amendment III	\$1.360	\$ -	\$ -
Total Expenditures		\$ 753,809.03	\$ 1,119,158.92
Anticipated Additional Expens from Increase:		\$	410,731.32

E) Options

IV. FINANCIAL INFORMATION

A)	Current year dollar amount of item:	\$410,731
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 for Water and Wastewater Facilities Account Strings: Various Operating Budgets	
G)	Fund Type?	Enterprise
H)	Comments:	

V. RECOMMENDATION

Approve

VI. TIMING/IMPLEMENTATION

VII. FOLLOW UP

ATTACHMENTS:

Description	Upload Date	Type
02 Signed Renewal	6/22/2023	Contract
B200320DWJ - Sodium Hypochlorite for WTP - Allied Universal - Price Increase - Am 3 - VENDOR OCR	6/27/2023	Backup Material
Price comparison	7/20/2023	Backup Material

REVIEWERS:

Department	Reviewer	Action	Date
Utilities	Tucker, Mary	Approved	7/20/2023 - 12:11 PM
Utilities	Keyes, Pamela	Approved	7/20/2023 - 12:54 PM
Budget Services	Henkel, Anne	Approved	7/21/2023 - 8:10 AM
Budget Services	Winton, Peter	Approved	7/21/2023 - 8:49 AM
County Attorney	Swindle, Amanda	Approved	7/21/2023 - 9:57 AM
County Manager	Mora, Marc	Approved	7/25/2023 - 10:12 AM