



Legislation Text

File #: 18-292, **Version:** 1

TO: Mayor and Commissioners
FROM: Marjorie Craig, P.E., Utilities Director
THROUGH: Mark R. Lauzier, City Manager
DATE: June 5, 2018

APPROVAL OF AMENDMENT NO. 2 WITH CHEMRITE, INC. FOR THE SUPPLY AND DELIVERY OF POLYPHOSPHATE IN A TOTAL AGREEMENT VALUE NOT-TO-EXCEED \$95,000 THROUGH JULY 6, 2019

Recommended Action:

Motion to approve Amendment No. 2 with Chemrite, Inc. for the supply and delivery of polyphosphate in a total agreement value not-to-exceed \$95,000 through July 6, 2019.

Background:

On July 7, 2015, the City of Delray Beach (City) entered into a two-year agreement with F2 Industries, LLC for the supply and delivery of polyphosphate, pursuant to ITB No. 2015-41 (Agreement). On August 31, 2017, the City executed Amendment No. 1 to renew the Agreement through July 6, 2018. Also, in August 2017, Chemrite, Inc. acquired F2 Industries, LLC in a business acquisition. This Amendment No. 2 will renew the Agreement through July 6, 2019, utilizing its second and final one-year renewal option, and formally consent assignment of the Agreement from F2 Industries, LLC to Chemrite, Inc.

The original price per pound for the polyphosphate was \$1.073, and the price will remain unchanged for the final renewal period. The estimated annual usage of polyphosphate is 84,000 pounds, projected to cost \$90,132, which provides the City a contingency of \$4,868 to allow for fluctuations in water demand and processing. Therefore, staff requests approval of an agreement value not-to-exceed \$95,000, which is consistent with the amount awarded annually for the original agreement term, as well as for the first renewal period.

Polyphosphate is an additive for water treatment, required by permit, and is available in liquid or dry form. It is used to reduce deterioration in water pipes by inhibiting scale formation and corrosion. Additionally, because it creates a protective film in the pipe, it reduces lead and copper leaching which complies with the current Environmental Protection Agency lead and copper rule. The City has regularly passed the lead and copper tests which indicates that Chemrite's product continues to be effective.

This motion is in accordance with the City Code of Ordinances, Section 36 and City Policies and Procedures, Change Orders and Amendments.

Attachments:

Attachment 1 - Agreement

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Attachment 2 - Amendment No. 1

Attachment 3 - Amendment No. 2

Attachment 4 - Legal Review Checklist

Attachment 5 - Letter from Supplier regarding business acquisition

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source:

Funding is available from account number 441-36-259-536.52-30 - Operating Supplies Chemicals