City of Delray Beach
100 N.W. 1st Avenue
Delray Beach, FL 33444

Cover Memorandum/Staff Report

File #: 21-124 **Agenda Date:** 2/9/2021 **Item #:** 6.D.

TO: **Mayor and Commissioners**
FROM: **Hassan Hadjimiry, P.E., Utilities Director**
THROUGH: **Jennifer Alvarez, Interim City Manager**
DATE: **February 9, 2021**

APPROVAL OF EXPENDITURES IN THE AMOUNT OF $36,000 WITH AIRGAS USA, LLC FOR LIQUID CARBON DIOXIDE FOR THE UTILITIES DEPARTMENT

Recommended Action:

Motion to approve expenditures in the amount of $36,000 with Airgas USA, LLC for liquid carbon dioxide for the Utilities Department.

Background:

The City of Delray Beach (City) Water Treatment uses liquid carbon dioxide, a critical gas in the operation of its water treatment process. On October 7, 2019, the City of Pompano as lead agency through the Southeast Florida Governmental Purchasing Cooperative Group (SEFLGPCG) Bid T-36-19 established an annual contract for the purchase of liquid carbon dioxide. Airgas USA, LLC was awarded the lowest responsive bidder. The City has been utilizing this contract since initiation. On October 8, 2020, the City was informed that Airgas USA, LLC has pulled out of the contract due to current market conditions and could no longer honor the agreed pricing within the said agreement.

This was an unforeseen situation where market conditions forced the current vendor to pull out of municipal arena. As such on October 19, 2020 the Utilities received authorization under a Bid Waiver Acquisition Approval Memo from Purchasing and Interim City Manager for $64,000.00. This stop gap measure was a temporary solution until other viable contract options could be reached. The Purchasing Department is currently seeking to procure our own solicitation. Until finalized the Utilities Water Treatment & Storage Division is requesting an additional $36,000 under revised Bid Waiver Acquisition approval (Exhibit A), for a new total of $100,000 until a formal solicitation is finalized.

This motion is in accordance with the City Code of Ordinances, Section 36.02 Commission Approval Required and the City's Purchasing Policies and Procedures Manual, Change Orders and Amendments.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

Funding is available from the following account number.

441-36-259-536.52-30	Utilities - Operating Supplies Chemicals

Timing of Request:
Approving of this agreement is time sensitive.