



## Legislation Details (With Text)

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|-----------------------|--|----------------------|---|-----------------|--|
| <b>File #:</b>        | 18-316   | <b>Version:</b>      | 1 | <b>Name:</b>    |  |
| <b>Type:</b>          | Purchasing   | <b>Status:</b>       |   | Passed          |  |
| <b>File created:</b>  | 5/3/2018   | <b>In control:</b>   |   | City Commission |  |
| <b>On agenda:</b>     | 6/5/2018   | <b>Final action:</b> |   | 6/5/2018        |  |
| <b>Title:</b>         | APPROVAL OF RESOLUTION NO. 76-18 TO AWARD AN AGREEMENT WITH PVS TECHNOLOGIES, INC. FOR FERRIC CHLORIDE SUPPLY SERVICES UTILIZING TAMPA BAY WATER'S CONTRACT NO. 2018-007 FOR A TOTAL AGREEMENT VALUE NOT-TO-EXCEED \$87,500 THROUGH SEPTEMBER 30, 2018 |                      |   |                 |  |
| <b>Sponsors:</b>      | Utilities Department   |                      |   |                 |  |
| <b>Indexes:</b>       |  |                      |   |                 |  |
| <b>Code sections:</b> |  |                      |   |                 |  |
| <b>Attachments:</b>   | 1. Agenda Cover Report, 2. Resolution No. 76-18 for Ferric Chloride Agr Ig rev, 3. P2018-022 Agreement, Vendor Executed, 4. Legal Review Checklist form v. 5 ferric chloride PVS Technologies, 5. Tampa Bay Water Contract 2018-007                    |                      |   |                 |  |

| Date     | Ver. | Action By       | Action   | Result |
|----------|------|-----------------|----------|--------|
| 6/5/2018 | 1    | City Commission | approved |        |

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

APPROVAL OF RESOLUTION NO. 76-18 TO AWARD AN AGREEMENT WITH PVS TECHNOLOGIES, INC. FOR FERRIC CHLORIDE SUPPLY SERVICES UTILIZING TAMPA BAY WATER'S CONTRACT NO. 2018-007 FOR A TOTAL AGREEMENT VALUE NOT-TO-EXCEED \$87,500 THROUGH SEPTEMBER 30, 2018

### Recommended Action:

Motion to approve Resolution No. 76-18 to award an agreement with PVS Technologies, Inc. to supply ferric chloride utilizing Tampa Bay Water's Contract No. 2018-007 for a total agreement value not-to-exceed \$87,500 through September 30, 2018.

### Background:

On October 16, 2017, Tampa Bay Water (TBW) awarded a competitive contract with PVS Technologies, Inc. for ferric chloride supply services (Contract). The Contract is valid from January 1, 2018 through September 30, 2018, with three, one-year renewal options.

The City of Delray Beach (City) has an ongoing need for ferric chloride (FeCl<sub>3</sub>), which is used as part of the potable water treatment process. It provides for enhanced removal of source water impurities through the coagulation process, including turbidity control and color minimization. Overall, this proven coagulant helps the City provide safe, clean, and enjoyable potable water.

The City's estimated annual spend on FeCl<sub>3</sub> is \$350,000 based on the contracted price of \$763 per

dry ton (\$1.71 per gallon) and historic annual use of approximately 460 dry tons. Therefore, staff estimates a prorated amount of \$87,500 will be spent on FeCl<sub>3</sub> through September 30, 2018. Renewal options approved by the City Manager, in accordance with Resolution No. 76-18, will utilize the estimated annual spend of \$350,000 to calculate the Contract value's not-to-exceed amount for the given one-year renewal period. The City's previous contracted price per gallon for FeCl<sub>3</sub> was \$1.47 utilizing a Palm Beach County contract that was not renewed due a proposed price increase by the supplier.

Based on research of other governmental agreements for FeCl<sub>3</sub>, staff was able to save the City approximately \$8,000 annually, for a total of \$26,500 over the lifespan of the agreement if all renewal options are exercised, by leveraging TBW's competitive contract. For example, a neighboring governmental has a contracted price of \$785 per dry ton, which is \$22 more per dry ton than the TBW contracted price of \$763 per dry ton.

This motion is in accordance with the Code of Ordinances Chapter 36, Commission Approval Required and Purchasing Policies, Accessing Contracts from Other Government Agencies and Not-for-Profit Organizations.

**Attachments:**

Attachment 1 - Other governmental entity's contract that City is utilizing  
Attachment 2 - Resolution  
Attachment 3 - Agreement  
Attachment 4 - Legal Review Checklist

**City Attorney Review:**

Approved as to form and legal sufficiency.

**Funding Source:**

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