

**STATEMENT OF BUDGET IMPACT**  
**(Policy Number 94-45)**  
**Budgetary Review of Proposed Resolution &**  
**Ordinances with Financial Implication.**

**Date:** October 28, 2014

**File:** BIS 15 - 031

**File:** TMP-2014-00626

**Proposed Legislation:**

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO ISSUE AN EMERGENCY PURCHASE ORDER WITHOUT FORMAL BIDDING PROCEDURES TO AIRSEP PROCESS AND CONTROLS, LLC. TO PERFORM THE INITIAL TROUBLESHOOTING, AND TO PERFORM EMERGENCY REPAIRS TO THE COLDBOX, A MAIN COMPONENT OF THE CRYOGENIC PLANT AT THE CITY OF HOLLYWOOD, SOUTHERN REGIONAL WASTEWATER TREATMENT PLANT, IN A COMBINED AMOUNT OF \$146,806.00; AND APPROVING CONTINGENCY EXPENDITURES RELATED TO POTENTIAL UNFORESEEN MISCELLANEOUS REPAIRS IN AN ESTIMATED AMOUNT NOT TO EXCEED \$50,000.00.

**Statement of Budget Impact:**

1. ☐ No Budget Impact associated with this action;
2. ☒ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☐ Potential Revenue is possible with this action;
5. ☒ Will not increase the cost of Housing;
6. ☐ May increase the cost of Housing; (CDAB review required)

**Explanation:**

During the performance of the annual standard system maintenance at the Cryogenic Plant it was identified that the coldbox had malfunctioned. Due to the critical role of the Cryogenic Plant in the wastewater treatment process the Department of Public Utilities considers the malfunctioning of the Plant an emergency and repairs must take place immediately. The Department of Public Utilities contacted the limited national companies specializing in cryogenic systems and was able to reach an understanding with AirSep Process and Controls, LLC., from Niagara Falls, NY for services.

AirSep Process and Controls, LLC. submitted a proposal in the amount of \$146,806 that includes initial troubleshooting, detailed inspection of the coldbox, and necessary repairs(valves, and specialized vessels are not included) and includes a standard sub-contractor mark up of 20% as detailed below.

	Subcontractor Mark		
	Price	Up (20%)	Totals
AirSep Process & Control	\$ 25,698	\$ -	\$ 25,698
Pennsylvania Perlite	\$ 75,550	\$ 15,110	\$ 90,660
Coldweld Inc	\$ 25,373	\$ 5,075	\$ 30,448
	\$ 126,621	\$ 20,185	\$ 146,806

Section 38.40(C)(1) of the City's Code of Ordinances specifically states that emergency repairs are exempt from the competitive bid requirements of the City's Purchasing Ordinance and authorizes the City Manager to approve such purchases without the prior approval of the City Commission when a quorum of the Commission for an emergency special meeting cannot be obtained.

A quorum of the City Commission for an emergency special meeting was not available therefore the City Manager approved the issuance of an emergency purchase order with AirSep Process and Controls, LLC in the amount of \$146,806.

Administration recommends ratification of the emergency purchase order issued to AirSep Process and Controls, LLC. for the emergency repairs that have been completed to the Cryogenic Plant coldbox.

On October 15, 2014, the City Commission adopted R-2014-301 which continued the appropriation for previously approved Capital Projects from FY 14 to FY 15 and included funding for small drainage projects. Funds are available in account # 42.4000.86532.536.006302.

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