

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA AUTHORIZING THE USE OF THE CITY'S "BEST INTEREST" EXEMPTION TO ISSUE A PURCHASE ORDER TO CHART INDUSTRIES, INC. FOR THE FABRICATION OF A SPARE NITROGEN SUPERHEATER, FOR THE CRYOGENIC PLANT AT THE SOUTHERN REGIONAL WASTEWATER TREATMENT PLANT, IN THE AMOUNT OF \$60,500.00; AND TO ISSUE A PURCHASE ORDER TO SOLUTIONWERKS, INC. FOR ENGINEERING SERVICES AND TECHNICAL ASSISTANCE DURING THE FABRICATION (AND/OR SHOP DRAWINGS) RELATED TO THE SPARE NITROGEN SUPERHEATER, IN THE AMOUNT OF \$3,000.00; AND TO AMEND THE APPROVED FISCAL YEAR 2015 CAPITAL IMPROVEMENT PROGRAM, AS SET FORTH IN EXHIBIT A.

WHEREAS, the City of Hollywood, Department of Public Utilities operates a Cryogenic Plant at the Southern Regional Wastewater Treatment Plant (SRWWTP), located at 1621 North 14th Avenue, Hollywood, Florida; and

WHEREAS, the Cryogenic Plant produces the daily liquid oxygen necessary to meet the biological process related to the treatment of wastewater; and

WHEREAS, in October 2014, the Cryogenic Plant was abruptly taken out of service for nearly 60 days because a nitrogen superheater (a main component of the Cold Box) developed leaks and failed; and

WHEREAS, due to the sensitive and critical role of the Cryogenic Plant in the overall wastewater treatment process, during these 60 days of interruption, the SRWWTP was required to supply its daily oxygen demand by trucking in liquid oxygen at a cost of approximately \$7,000.00 a day; and

WHEREAS, during the unexpected interruption of the Cryogenic Plant, the Department of Public Utilities learned that under normal circumstances the fabrication of a replacement nitrogen superheater has a lead time of 32-weeks (or 224-days), and paying expediting fees would potentially reduce the fabrication lead time to 7-weeks (or 49-days) but would exponentially increase the standard cost of the replacement superheater (up to six times as much); and

WHEREAS, during the October 2014 incident, the Department of Public Utilities was fortunate to locate, to coordinate taking possession of, and to install a compatible spare superheater owned by the City of Springfield, Missouri; and

WHEREAS, based on the investigations and research performed by industry specialized companies (i.e. Solutionwerks, Inc.) during and after the October 2014 Cryogenic Plant interruption, it was determined that the fabrication of the spare superheater(s) can only be done within the USA by Chart Industries, Inc.; and

WHEREAS, Chart Industries, Inc. submitted a proposal for the fabrication of a spare nitrogen superheater, in the amount of \$60,500.00, and

WHEREAS, at the request of Public Utilities, Solutionwerks, Inc. submitted a proposal in the amount of \$3,000.00 to provide engineering services during the production of the fabrication (or shop) drawings related to the spare superheater; and

WHEREAS, Section 38.40(C)(8) of the Code of Ordinances provides that purchases of, and contracts for, supplies or contractual services, when the Commission declares by a unanimous vote that competitive bidding and competitive proposals are not in the best interest of the City, are exempt from the competitive bidding and competitive proposal requirements of the Purchasing Ordinance; and

WHEREAS, the Administration recommends utilizing Section 38.40(C)(8) of the City's Code of Ordinances to issue a purchase order to Chart Industries, Inc. in an amount of \$60,500.00 for the purchase of a spare superheater, and to issue a purchase order to Solutionwerks to provide engineering services during the production of the fabrication drawings as related to the spare superheater, in the amount of \$3,000.00; and

WHEREAS, a portion of the funding for the purchase of a spare superheater in the amount of \$1,182.00 has been provided via Resolution No. R-2014-301 which continued the appropriation for previously approved Capital Projects from FY 2014 to FY 2015 and is available in account number 42.4000.85299.536.006302; and

WHEREAS, it is necessary to amend the approved FY 2015 Capital Improvement Program and allocate additional funding in the amount of \$62,318.00 as set forth in Exhibit A;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That it hereby approves issuing purchase orders to Chart Industries, in the amount of \$60,500.00 for the fabrication of a spare nitrogen superheater, and to Solutionwerks, Inc., in the amount of \$3,000.00 to provide engineering and technical services during the production of the fabrication (and/or shop drawings) related to the spare superheater, in a form acceptable to the City Manager and approved as to form and legality by the City Attorney.

Section 2: That it hereby approves an amendment to the approved FY 2015 Capital Improvement Program, as set forth in the attached Exhibit A.

Section 3: That this resolution shall be in full force and effect immediately upon its passage and adoption

PASSED AND ADOPTED this _____ day of _____, 2015.

PETER BOBER, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC, CITY CLERK

APPROVED AS TO FORM AND LEGALITY
for the use and reliance of the
City of Hollywood, Florida, only.

JEFFREY P. SHEFFEL, CITY ATTORNEY