



Legislation Details (With Text)

File #: R-2015-201 **Version:** 1 **Name:** Superheater for Cryogenic Plant
Type: Resolution **Status:** Passed
File created: 5/28/2015 **In control:** Department of Public Utilities
On agenda: 7/8/2015 **Final action:** 7/8/2015

Title: 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 City Of Hollywood, 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 Production Of The Fabrication (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.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution - Spare Superheater (Best Interest).pdf, 2. Exhibit A - Superheater for Cryo Plant.pdf, 3. Superheater for Cryo Plant - Sole Source Form and Proposal.pdf, 4. Solutionwerks - Expert Opinion (Superheaters).pdf, 5. Term Sheet - Chart Industries, Inc. and Solutionwerks, Inc..pdf, 6. BIS 15-205.pdf

Date	Ver.	Action By	Action	Result
7/8/2015	1	Regular City Commission Meeting	adopt	Pass

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 City Of Hollywood, 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 Production Of The Fabrication (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.

Staff Recommends: Approval of the attached Resolution.

Explanation:

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.

The Cryogenic Plant produces the daily liquid oxygen necessary to meet the biological process related to the treatment of wastewater.

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.

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.

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).

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.

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.

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

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.

Pursuant 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

The Administration recommends that the City Commission authorize the appropriate City Officials 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.

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.

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.

Recommended for inclusion on the agenda by:
Wazir Ishmael, Ph.D., City Manager
Steve Joseph, P.E., Public Utilities Director