



City of Hollywood

Hollywood City Hall
2600 Hollywood Blvd
Hollywood, FL 33020
<http://www.hollywoodfl.org>

Legislation Text

File #: R-2014-367, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Ratifying And Authorizing The Execution Of A Memorandum Of Understanding With The City Of Springfield, Missouri For Conveying And Replacing Their Spare Nitrogen Superheater; And Amending Approved Resolution No. R-2014-326 To Authorize The Following Changes: (1) To Issue An Emergency Purchase Order To Chart Industries, Inc. In The Amount Of \$59,400.00, Instead Of \$398,750.00 For The Fabrication Of The Replacement Nitrogen Superheater; (2) To Ratify The Issuance Of An Emergency Purchase Order Without Formal Bidding Procedures To Solutionwerks, Inc. In An Estimated Amount Of \$149,500.00, Instead Of Airsep Process And Controls, Llc., In An Estimated Amount Of \$198,000.00, For The Installation Of The Nitrogen Superheater And Other Repairs To The Cryogenic Plant At The City Of Hollywood, Southern Regional Wastewater Treatment Plant.

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 has been out of service since October 13, 2014, forcing the City of Hollywood to incur daily expenses for the trucking and supply of liquid oxygen of approximately \$7,000.00.

On November 5, 2014 via Resolution No. R-2014-326, the City Commission ratified and authorized several emergency purchases to expedite the necessary repairs to the Cryogenic Plant.

After Resolution No. R-2014-326 was approved, the Department of Public Utilities continued to evaluate and investigate different approaches to expeditiously resolve the emergency repairs to the Cryogenic Plant.

On November 5, 2014, Solutionwerks, Inc. informed the Department of Public Utilities that they had located a compatible replacement nitrogen superheater that belongs to the City of Springfield, Missouri, and the City of Springfield was willing to convey the superheater to the City of Hollywood as long as the unit would be replaced in-kind.

Attorneys from the City of Hollywood and from the City of Springfield worked on a Memorandum of Understanding (MOU) for the conveyance and replacement of the spare nitrogen superheater.

Accepting and ratifying the MOU will allow the City of Hollywood to immediately take possession of and install the nitrogen superheater, and to significantly achieve savings in the cost of the replacement superheater, and in the cost of the daily trucking and supply of liquid oxygen.

Resolution No. R-2014-326 authorized the issuance of a purchase order to Chart Industries, Inc., the only qualified company within the USA, for the expedited fabrication of a replacement superheater in an estimated amount of \$398,750.00; however, by using the spare superheater from the City of Springfield, the City of Hollywood would not pay expediting fees, substantially reducing the amount of the purchase order to Chart Industries, Inc. to \$59,400.00.

In addition to assisting the City of Hollywood with locating the spare superheater and coordinating with the City of Springfield, Solutionwerks, Inc. submitted a proposal for the installation of the superheater and to perform other necessary repairs within the coldbox to bring the Cryogenic Plant back in service, in an estimated amount of \$149,500.00.

The proposal submitted by Solutionwerks, Inc. is significantly lower than the proposal submitted by AirSep Process and Controls, LLC. for similar services in an amount of \$198,000.00.

Resolution No. R-2014-326 authorized the issuance of a purchase order to AirSep Process and Controls, LLC. for the installation of the superheater but upon further consideration, the City should consider issuing the purchase to Solutionwerks for the same services at a significantly lower cost.

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.

The Administration recommends accepting and ratifying the Memorandum of Understanding (MOU) between the City of Hollywood and the City of Springfield, Missouri, for the conveyance to Hollywood and replacement of the spare nitrogen superheater; reducing the amount of the purchase order to Chart Industries to \$59,400.00 for the fabrication of the replacement nitrogen superheater; and ratifying the issuance of an emergency purchase order to Solutionwerks, Inc. instead of AirSep Process and Controls, LLC for the installation of the superheater and other repairs necessary to bring the Cryogenic Plant back in service, in the amount of \$149,500.00.

Funding for emergency infrastructure repairs is available in account number 42.4000.86532.536.006302.

Recommended for inclusion in the agenda by:

Dr. Wazir Ishmael, Interim City Manager

Steve Joseph, Director of Public Utilities