

**CITY OF MIRAMAR
PROPOSED CITY COMMISSION AGENDA ITEM**

Meeting Date: January 15, 2020

Presenter's Name and Title: Roy Virgin, Ph.D. Director of Utilities, on behalf of the Utilities Department and Alicia Ayum, Director of Procurement on behalf of the Procurement Department

Prepared By: Jinsheng Huo, Ph.D., P.E., BCEE, Assistant Director of Utilities

Temp. Reso. Number: 7088

Item Description: Temp. Reso. #7088, APPROVING THE INCREASE OF ANNUAL PURCHASE OF CORROSION INHIBITOR CHEMICAL FROM CARUS CORPORATION FOR THE EAST AND WEST WATER TREATMENT PLANTS, IN A TOTAL AMOUNT NOT-TO-EXCEED \$269,087 FOR FISCAL YEAR 2020 (Roy Virgin, Ph.D., Director of Utilities and Alicia Ayum, Director of Procurement).

Consent ☒ Resolution ☐ Ordinance ☐ Quasi-Judicial ☐ Public Hearing ☐

Instructions for the Office of the City Clerk:

Public Notice – As required by the Sec. ____ of the City Code and/or Sec. ____, Florida Statutes, public notice for this item was provided as follows: on ____ in a ____ ad in the ____; by the posting the property on ____ and/or by sending mailed notice to property owners within ____ feet of the property on ____
(fill in all that apply)

Special Voting Requirement – As required by Sec. ____, of the City Code and/or Sec. ____, Florida Statutes, approval of this item requires a ____ (unanimous, 4/5ths etc.) vote by the City Commission.

Fiscal Impact: Yes ☒ No ☐

REMARKS: Funding of \$47,576 is available in Utilities, GL-Account 410-55-554-533-130-605280 Entitled “East Water Treatment Plant – Chemicals.” Funding of \$146,512 will be available in Utilities, GL-Account 410-55-554-533-140-605280 Entitled “West Water Treatment Plant – Chemicals.”


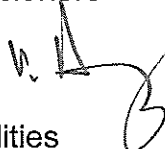
Content:

- Agenda Item Memo from the City Manager to City Commission
- Resolution TR 7088
- Attachment(s)
 - Attachment 1: Approved Sole Source Justification Form
 - Attachment 2: PO#200256 for East Water Treatment Plant
 - Attachment 3: PO#200037 for West Water Treatment Plant



**CITY OF MIRAMAR
INTEROFFICE MEMORANDUM**

TO: Mayor, Vice Mayor, & City Commissioners

FROM:  Vernon E. Hargray, City Manager 

BY: Roy L. Virgin, Ph.D., Director of Utilities

DATE: January 9, 2019

RE: Temp. Reso. No. 7088 Annual Purchase of Corrosion Inhibitor

RECOMMENDATION: The City Manager recommends approval of the increase of the annual purchase of corrosion inhibitor chemical from Carus Corporation for the East and West Water Treatment Plants, in a total amount not-to-exceed \$269,087 for Fiscal Year 2020 (FY20).

ISSUE: City Commission approval is required for purchases exceeding the \$75,000 limit per vendor limit, in accordance with Section 2-412(a)(1) of the City Code.

BACKGROUND: The City of Miramar's East and West Water Treatment Plants use corrosion inhibitor chemical to enhance the buffering capacity of finished water to provide added protection against corrosion in the City's water distribution system. The new East Water Treatment Plant has started the Nanofiltration process, which increases the needs of the corrosion inhibitor chemical. Carus Corporation is the sole source of Aqua Mag 9500 corrosion inhibitor, which our City's water treatment plants are currently using based on consultant's recommendation. A copy of the approved sole source form is attached as Attachment No.1.

Funding has been appropriated in the FY20 Operating Budget, Chemical Accounts as follows:

Facility Name	Account Number	Annual Amount	PO Amount Already Issued	Additional Amount Request
East Water Treatment Plant	410-55-554-533-130-605280	\$72,575	\$24,999	\$47,576
West Water Treatment Plant	410-55-554-533-140-605280	\$196,512	\$50,000	\$146,512
Total		\$269,087	\$74,999	\$194,088

The City Manager recommends that the City Commission approves the increase of the annual purchase of corrosion inhibitor chemical from Carus Corporation in an amount not-to-exceed \$269,087 for FY20.

Temp. Reso. No. 7088
12/10/19
1/9/20

**CITY OF MIRAMAR
MIRAMAR, FLORIDA**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA, APPROVING THE INCREASE OF ANNUAL PURCHASE OF CORROSION INHIBITOR CHEMICAL FROM CARUS CORPORATION FOR THE EAST AND WEST WATER TREATMENT PLANTS, IN A TOTAL AMOUNT NOT-TO-EXCEED \$269,087 FOR FISCAL YEAR 2020; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Miramar's East and West Water Treatment Plants utilize corrosion inhibitor chemical to enhance the buffering capacity of finished water to provide added protection against corrosion in the City's water distribution system; and

WHEREAS, Section 2-412(a)(1) of the City Code provides that all commodities or services provided by a single vendor in excess of \$75,000 must be formally approved by the City Commission; and

WHEREAS, the total purchase of \$269,087 for corrosion inhibitor chemical exceeds the \$75,000 per vendor limit and City Commission approval is required; and

WHEREAS, the City uses Aqua Mag 9500 corrosion inhibitor chemical from Carus Corporation, which is solely manufactured by Carus Corporation; and

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1/9/20

WHEREAS, the City Manager recommends approval of the purchase of chemicals from Carus Corporation, in an amount not-to-exceed \$269,087 for Fiscal Year 2020.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA AS FOLLOWS:

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are made a specific part of this Resolution.

Section 2: That the City Manager is authorized to purchase corrosion inhibitor chemical from Carus Corporation for the East and West Water Treatment Plants, in a total amount not-to-exceed \$217,511 for Fiscal Year 2020.

Section 3: That the appropriate City officials are authorized to do all things necessary and expedient in order to carry out the aims of this Resolution.

Section 4: That this Resolution shall become effective upon adoption.

Temp. Reso. No. 7088
12/10/19
1/9/20

PASSED AND ADOPTED this _____ day of January, 2020.

Mayor, Wayne M. Messam

Vice Mayor, Alexandra P. Davis

ATTEST:

City Clerk, Denise A. Gibbs

I HEREBY CERTIFY that I have approved
this RESOLUTION as to form:

City Attorney,
Austin Pamies Norris Weeks Powell, PLLC

Requested by Administration

Commissioner Winston F. Barnes
Commissioner Maxwell B. Chambers
Commissioner Yvette Colbourne
Vice Mayor Alexandra P. Davis
Mayor Wayne M. Messam

Voted

Reso. No. _____

City of Miramar
SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

Requisition No.:	Department: Utilities
Recommended Vendor(s), if any Carus	Date: 1/7/2020
	Estimated Cost: \$269,087 for FY 2020
Estimated Hours for Consulting Engagement:	Contact Person: Balki Bisram
<input checked="" type="checkbox"/> Ongoing Purchase	<input type="checkbox"/> New Purchase
If an Ongoing/Replacement Purchase what was the prior year expenditure \$ 182,475	
<p>Does this purchase request represent an increase or a decrease in utilization or price? (Please explain in detail)</p> <p>This purchase does represent an increase in utilization for both East and West Water Plants due to the new East Water Treatment Plant has started the new water treatment process. We are presenting this under the City Manager's authority for FY2020. The Utilities Department has submitted this item for Commissioners' approval on 1/15/2020.</p>	

SECTION I

Completion of this form is required in advance of all Sole Source/Bid Waiver purchases (procurements) in excess of \$2,500 from Miramar resident vendors or \$1000 from all other vendors.

Check one of the following that best describes the proposed procurement:

- ☒ Only one source (supplier) exists for the required product/service ("sole source").
☐ Product Standardization
☐ Other reason deemed to be in the best interests of the City (Commission Approval Required)

1. In 'layman's terms', describe the required product or service that is being procured and the purpose or function. (Minimum 3 sentences required.)

Aqua Mag 9500 is a proprietary blended Phosphate used to control corrosion in West WTP and the East WTP distribution system. The product was proven to be effective for the water corrosion control and improves overall water quality, as recommended by a City hired consultant (Kimley-Horn). Product also allows the Utilities Department to maintain compliance with state and federal regulations.

2. If the particular product or service was not available or could not be procured, how would the department proceed with its work? (Minimum 3 sentences required.)

Aqua Mag 9500 is a proprietary blended Phosphate that has been pilot tested with the current water treatment process and evaluated by a City hired consultant (Kimley-Horn) as an effective solution for corrosion control. In the absence of this product, the City would be required to spend considerable time and money to pilot test another product with no guarantee the different product will be as effective.

City of Miramar
SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

Sole Source

- 3a. Explain why the **product/service** is the only product/service that can satisfy your requirements and explain why alternatives are unacceptable. Be specific with regard to unique specification, unique features, characteristics, requirements, capabilities and compatibility. Describe what steps have been undertaken to make this decision. (Minimum 4 sentences required.)

Aqua Mag 9500 blended Phosphate has been pilot tested in-house, and the results confirmed that this product is effective relative to our treatment processes according to the study from Kimley-Horn and Associates (see attached report). The product is also certified by NSF for use in potable water supply.

- 3b. Explain why this **vendor** is the only practicable available source which to obtain this product or service and describe the efforts that were made to verify and confirm whether, or not, this is so. (Obtain and include a letter from the manufacturer confirming claims made by distributor of exclusive distributorships for the product or service, if, that is cited as a reason for this request.) (Minimum 4 sentences required.)

Carus Corporation is the manufacturer and sole distributor of the proprietary Aqua Mag 9500 blended Phosphate (see sole source letter attached).

Product Standardization

4. Explain why the product/service requested can best satisfy your requirements and explain why a waiver of competitive bidding is in the best interest of the City. Be specific with regard to unique specification, unique features, characteristics, requirements capabilities and compatibility. Describe what steps have been undertaken to make this decision. (Minimum 3 sentences required.)

N/A

Sole Source and Product Standardization

5. Provide a description of the market survey conducted and the results, or a statement of the reasons a market survey was not conducted. (Minimum 4 sentences required.)

N/A

City of Miramar
SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM

6. Will this purchase obligate the City to a particular vendor/provider for future purchases? (Either in terms of maintenance that only this vendor will be able to perform and/or if we purchase this item. Will the City need more "like" items or services in the future to match this one?)

The Utilities Department will run pilot tests for another product if necessary, to insure water quality meets or exceeds Federal and State Drinking Water Compliance Standards for a "potable water" supplier.

7. Explain why the price for this product or service is considered to be fair and reasonable.

The pricing for this product is directly from the manufacturer. City staff has contacted other utilities who use the similar products and it is deemed that the price is fair and reasonable.

8. Describe the negotiations efforts, if any that have been made with the vendor/provider to obtain the best possible price.

City staff has contacted other utilities who use the similar products and negotiated with the vendor (Carus) to obtain the best possible price.

9. Describe the actions the department will take, if feasible, to overcome the present barriers to competition prior to any future procurement of this product or service.

The City staff will continue monitoring the chemical price with due diligence to ensure the City obtain the best possible price.

City of Miramar
SOLE SOURCE/PRODUCT STANDARDIZATION JUSTIFICATION FORM
PLEASE ALSO ATTACH ADDITIONAL SHEETS OR INFORMATION AS NEEDED

Name of the person who prepared this request and justification:		
Name: <u>JINSHENG HUW</u>	Position: <u>Assistant Director of</u>	
		<u>Utilities</u>
Department: <u>Utilities</u>	Date: <u>1/8/2020</u>	
I hereby certify that the above request and Justification is accurate and complete to the best of my knowledge and belief.		
<u>Ron VIRLIND</u>	<u>[Signature]</u>	<u>1/8/2020</u>
Department Director (Print Name)	Signature	Date

<p>For Procurement Department Use Only</p> <p>This approval is effective for <u>365</u> days</p>	<p>A good faith review of available sources has been conducted by:</p> <p><input type="checkbox"/> User Department <input checked="" type="checkbox"/> Procurement Department <input type="checkbox"/> Standards Committee</p> <p>I concur that this contract is not suitable for competitive bids or proposals</p> <p style="text-align: center;"><u>[Signature]</u></p> <p>Chief Procurement Officer</p> <p style="text-align: right;"><u>1.9.20</u></p> <p style="text-align: right;">Date</p>
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Bill To

ACCOUNTS PAYABLE
CITY OF MIRAMAR
2300 CIVIC CENTER PLACE
MIRAMAR, FL 33025

Purchase Order

Fiscal Year 2020

Page: 1 of 1

THIS NUMBER MUST APPEAR ON ALL INVOICES,
PACKAGES AND SHIPPING PAPERS.

Purchase Order #

200256

Delivery must be made within doors of specified destination.

Vendor

CARUS CORPORATION
315 FIFTH STREET
PERU, IL 61354

Ship To

MIRAMAR EAST WATER PLANT
2600 S.W 66 TERRACE
MIRAMAR, FL 33023
Email: jppinter@miramarfl.gov

CONTRACT NUMBER		CONTRACT DESCRIPTION	DELIVERY REFERENCE	
1882		Purchase of polymer blend	Jeffrey Pinter	
DATE ORDERED	REQUISITION NUMBER	DATE REQUIRED	FREIGHT METHOD/TERMS	DEPARTMENT/LOCATION
11/07/2019	2000131	10/08/2019		Utilities
NOTES				

CHEMICALS AND SOLVENTS, COMMERCIAL (IN BULK)

THE CITY WILL NOW ACCEPT INVOICES DIGITALLY. INVOICES CAN BE EMAILED TO APINVOICES@CI.MIRAMAR.FL.US

ITEM #	DESCRIPTION / PART #	QTY	UOM	UNIT PRICE	EXTENDED PRICE
1	Corrosion Inhibitor used to stabilize finish water for the East water plant	24,999.0	DLR	\$1.00	\$24,999.00
	GL Account: 41000300 - 605280				\$24,999.00
	Commodity Code: 19036				
	Chemicals, Bulk (Not Otherwise Itemized)				

ONLY ORIGINAL ITEMIZED INVOICES BEARING OUR PURCHASE
ORDER NUMBER WILL BE APPROVED FOR PAYMENT

VENDORS SHALL REFRAIN FROM SHIPPING ANY GOODS OR
PERFORMING ANY SERVICES FOR MIRAMAR DEPARTMENTS UNTIL
RECEIPT OF AN OFFICIAL MIRAMAR PURCHASE ORDER. FAILURE
TO FOLLOW THIS DIRECTIVE MAY RESULT IN DELAY OF PAYMENT
OR REFUSAL OF PAYMENT BY THE CITY.

Total Ext. Price

\$24,999.00

Purchase Order Total

\$24,999.00

Liana Fyfe
Procurement Director

Miramar Copy

Bill To



ACCOUNTS PAYABLE
CITY OF MIRAMAR
2300 CIVIC CENTER PLACE
MIRAMAR, FL 33025

Purchase Order

Fiscal Year 2020

Page: 1 of 1

THIS NUMBER MUST APPEAR ON ALL INVOICES,
PACKAGES AND SHIPPING PAPERS.

Purchase Order #

200037

Delivery must be made within doors of specified destination.

Vendor

CARUS CORPORATION
315 FIFTH STREET
PERU, IL 61354

Ship To

MIRAMAR WEST WATER PLANT
4100 S FLAMINGO ROAD
MIRAMAR, FL 33027
Email: BBisram@miramarfl.gov
Phone: 954-438-1228

CONTRACT NUMBER		CONTRACT DESCRIPTION		DELIVERY REFERENCE	
1882		Purchase of polymer blend		Balki Bisram	
DATE ORDERED	REQUISITION NUMBER	DATE REQUIRED	FREIGHT METHOD/TERMS		DEPARTMENT/LOCATION
10/17/2019	2000130	10/08/2019			Utilities
NOTES					

CHEMICALS AND SOLVENTS, COMMERCIAL (IN BULK)

THE CITY WILL NOW ACCEPT INVOICES DIGITALLY. INVOICES CAN BE EMAILED TO APINVOICES@CI.MIRAMAR.FL.US

ITEM #	DESCRIPTION / PART #	QTY	UOM	UNIT PRICE	EXTENDED PRICE
1	PO blanket to procure Corrosion Inhibitor for the west water plant. GL Account: 41000310 - 605280 Commodity Code: 19036	50,000.0	DLR	\$1.00	\$50,000.00
	Chemicals, Bulk (Not Otherwise Itemized)				

ONLY ORIGINAL ITEMIZED INVOICES BEARING OUR PURCHASE
ORDER NUMBER WILL BE APPROVED FOR PAYMENT

VENDORS SHALL REFRAIN FROM SHIPPING ANY GOODS OR
PERFORMING ANY SERVICES FOR MIRAMAR DEPARTMENTS UNTIL
RECEIPT OF AN OFFICIAL MIRAMAR PURCHASE ORDER. FAILURE
TO FOLLOW THIS DIRECTIVE MAY RESULT IN DELAY OF PAYMENT
OR REFUSAL OF PAYMENT BY THE CITY.

Total Ext. Price

\$50,000.00

Purchase Order Total**\$50,000.00**

Liana Liza
Procurement Director

Miramar Copy