

Staff Report

File #: 20-2392A, Version: 1

Subject:

Award of bid to Polydyne, Inc. for reclaimed methanol and Colonial Chemical Solutions, Inc., for virgin methanol - a Tampa Bay Purchasing Cooperative Contract.

Recommended Action:

Reject the bid from Brenntag Mid-South, Inc. as non-responsive for not submitting a price sheet as required in the bid solicitation document.

Approval of the award of bid to Polydyne, Inc. for reclaimed methanol and Colonial Chemical Solutions for virgin methanol, respectively, for County Utilities and the City of Oldsmar - Tampa Bay Purchasing Cooperative Contract (Cooperative).

- This Cooperative contract contains requirements from the County and the City of Oldsmar for reclaimed methanol and virgin methanol on an as-needed basis.
- Recommend award of bid to Polydyne, Inc. for reclaimed methanol in the amount of \$3,125,250.00 for the County and \$138,900.00 for the City of Oldsmar. Award of bid to Colonial Chemical for virgin methanol in the amount of \$422,500.00 for the County.
- Total County award in the amount of \$3,547,750.00.
- The City of Oldsmar as the Cooperative participant is responsible for issuance of their own award and funding in the amount of \$138,900.00 for the five-year term.
- Five bids were received with award recommendation to the lowest responsive, responsible bidders.
- County staff does not recommend award of the glycerin line item as the pricing received is exorbitant.
- This contract will replace the current contract for Methanol and Glycerin that will expire on September 17, 2021.

Contract No. 21-0219-B-BW, with an estimated average annual amount of \$709,550.00 for a sixtymonth term total of \$3,547,750.00. Authorize the Chairman to sign and the Clerk of the Circuit Court to attest.

Strategic Plan:

Deliver First Class Services to the Public and Our Customers 5.2 Be responsible stewards of the public's resources

<u>Summary:</u>

This Cooperative contract contains the requirements of the County and the City of Oldsmar to provide reclaimed and virgin methanol on an as needed basis. Currently, methanol is a carbon source used by wastewater treatment facilities to facilitate the biological process that removes nitrogen from wastewater. However, the Utilities Department has also looked at alternative carbon

sources such as glycerin, which is available under our expiring contract. The pricing received for glycerin per this invitation to bid was exorbitant and therefore County staff did not select the grouping for glycerin as part of the award.

This contract has provision for price adjustments (decrease/increase) at twelve (12) month intervals in an amount not to exceed the average of the Producer Price Index (PPI) for Fuels and Related Products and Powers, or 2%, whichever is less.

Background Information:

On February 18, 2021, the Purchasing Divison, on behalf of the Utilities Department, released an invitation to bid with the intent to establish a contract for Methanol and Glycerin 70% - a Tampa Bay Purchasing Cooperative Contract. This Cooperative contract includes 100,000 gallons of reclaimed methanol for the City of Oldsmar over the five-year term.

Five bids were received with award recommendation to the lowest responsive, responsible bidders.

This contract will replace Contract No. 156-0392-B(LN) Methanol and Glycerin 70% that will expire on September 17, 2021.

Fiscal Impact:

Estimated County sixty-month expenditure not-to-exceed: \$3,547,750.00

Estimated County average annual expenditure is: \$709,550.00

Funding is derived from the Sewer Revenue and Operating Fund.

The City of Oldsmar as a Cooperative participant is responsible for their own award and funding for the five-year term.

Staff Member Responsible:

Megan Ross, Director, Utilities Merry Celeste, Division Director, Purchasing and Risk, Administrative Services Joe Lauro, Director, Administrative Services

Partners:

City of Oldsmar

Attachments:

Service Agreement - Polydyne Service Agreement - Colonial Bid Tabulation