

EXECUTIVE SUMMARY

Recommendation of \$500,000 or Greater 18-145T - Pool Maintenance and Supplies

This request is to approve the recommendation to award Invitation to Bid (ITB) 18-145T - Pool Maintenance and Supplies for a three (3) year contract from June 1, 2018, through May 31, 2021.

This Bid replaces ITB 13-044T - Pool Chemicals and Supplies and ITB 17-044F – Swimming Pool Maintenance and Repairs, hence why Procurement & Warehousing Services (PWS) has two Financial Analysis Worksheets. ITB 13-044T is utilized by the Athletics & Student Activities department to provide pool chemicals as needed to maintain District pools and ensure compliance with Broward County Health Department (BCHD) regulations. Chemicals under the scope of this Bid include chlorine, sodium hypochlorite, sulfuric acid, and cyanuric acid powder for the proper balance of pools. ITB 17-044F is used for the maintenance of selected schools as well as repairs.

The solicitation for this Invitation to Bid ran from February 2, 2018, through March 8, 2018. PWS outreached to more than a handful companies in the Broward County to expand the number of bidders; however, only one (1) bid was received, from Gomez Chemicals, Inc. d/b/a Beach-O-Rama, a Small/Minority/Women Business Enterprise certified vendor who met all specifications, terms, and conditions of the bid.

As per Purchasing Policy 3320, Section J, and Florida Statute 287.057, The District can negotiate in the case that less than two (2) bids are received, which is the case for this Bid. Prior to bid opening, PWS issued an addendum altering the Special Condition to “If only one bid is received, SBBC reserves the right to reduce the term of the contract to one year.”

PWS conducted negotiations with Gomez Chemicals, Inc. d/b/a Beach-O-Rama. PWS successfully negotiated reduced costs for a three (3) year term, realizing cost avoidance of \$30,000 for a three (3) year period on the chemicals and ongoing maintenance.

Financial Impact

The total spending authority requested is \$1,400,000 as demonstrated below.

For Fixed expenses (maintenance of eight (8) schools), the breakdown is below:

Monthly maintenance		\$	5,157
Number of months	x		36
Total Fixed Expenses for Maintenance	=	\$	185,640

For the maintenance of the schools, the District used to pay \$58,500 annually. Beach-o-Rama originally bid \$65,260; however, after negotiations, it lowered the bid to \$61,880. This represents cost avoidance of \$10,140 over a three (3) year period.

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For variable expenses (Supplies/Repairs), the breakdown is below:

Historical average monthly expenditure for 13-044T - Supplies		\$	5,700
Number of months	*		36
<u>(A) Estimated needed for Supplies</u>	=	\$	<u>205,200</u>
Historical monthly expenditure for 17-044F – Repair (per FAW Notes)	=	\$	24,891
Number of months in new bid	*		36
<u>(B) Estimated needed for Repairs</u>	=	\$	<u>896,064</u>
<u>(A) + (B)</u>	=	\$	<u>1,101,264</u>
*Ten (10) percent contingency allowance	+	\$	110,126
<u>Total Estimated for Supplies and Repairs</u>	=	\$	<u>1,211,390</u>
Total Fixed Expenses for Maintenance		\$	185,640
Total Estimated for Supplies and Repairs	=	\$	1,211,390
<u>Total spend authority (rounded)</u>		\$	<u>1,400,000</u>

For the delivery of pool supplies to the schools, PWS negotiated lower prices overall of six (6) percent. This represents cost avoidance of over \$20,000 over a three (3) year period.

*The contingency allowance has been applied based on the criteria:

- The procurement item is related to commodities without a defined scope of work, such as, but not limited to, catalog bids; and,
- The financial impact is based on historic average monthly expenditures of the current bid.