



City of Plantation
City Council Chambers

Subject:

Agreement No. 078-22; Purchase and Delivery of Sodium Hypochlorite (Amendment No. 4)

Summary:

Requesting authorization and approval of the following:

To execute the fourth (4th) Amendment between the City and Allied Universal Corp for Agreement No. 078-22; Purchase and Delivery of Sodium Hypochlorite amending the agreement expiration date to December 7th, 2027, and allowing for a rate increase.

To continue to issue purchase orders and process payments to Allied Universal Corp. for the "Purchase and Delivery of Sodium Hypochlorite" in accordance with Agreement No. 078-22 and any associated amendments.

Procurement:

Agreement No. 078-22 for the Purchase and Delivery of Sodium Hypochlorite is scheduled to expire on December 7, 2026, unless renewed. The Agreement provides for four (4) additional one-year renewal options, subject to mutual written agreement between the City and the Contractor.

The City desires to exercise the fourth and final one-year renewal option with Allied Universal Corp. The proposed renewal includes a price increase of \$0.055 per gallon for Full Truckload (FTL) deliveries and \$0.05 per gallon for Less-Than-Truckload (LTL) deliveries. These adjustments represent increases of approximately 3.3% for FTL deliveries and 2.9% for LTL deliveries.

During the initial renewal discussions, Allied Universal Corp. requested the following pricing increases:

- Item 1: \$1.75 per gallon, representing a 6.38% increase from Amendment No. 3.
- Item 2: \$1.79 per gallon, representing a 4.68% increase from Amendment No. 3.

Following negotiations and repeated requests by the Procurement Department, the Contractor agreed to reduce its proposed increases to align with the Consumer Price Index for All Urban Consumers (CPI-U), despite indicating that the adjusted increase may not fully reflect current market conditions and cost impacts.

The Utilities Department has reviewed the Contractor's performance and determined that Allied Universal Corp. has satisfactorily fulfilled all requirements of the Agreement. The Department further determined that the proposed price increase is fair and reasonable and recommends exercising the fourth and final renewal option, extending the Agreement term through December 7, 2027. If approved, the revised pricing will become effective on December 8, 2026.

Based on the foregoing, the Utilities and Procurement Department request authorization and approval of the following:

- To execute the fourth (4th) Amendment between the City and Allied Universal Corp for Agreement No. 078-22; Purchase and Delivery of Sodium Hypochlorite amending the agreement expiration date to December 7th, 2027, and allowing for a rate increase.
- To continue to issue purchase orders and process payments to Allied Universal Corp. for the "Purchase and Delivery of Sodium Hypochlorite" in accordance with Agreement No. 078-22 and any associated amendments.

Background:

Strategic Priorities • Proactive and Responsive Asset Management, Safe and Secure.

Utilities use Sodium Hypochlorite (Bleach) as a disinfectant in the water and wastewater treatment process.

This item is now ready for City Council consideration.

Funding:

- 440-0100-533-5207
- 440-0200-535-5207

Amount:

Item No.	Description	Unit	Unit Price
	Sodium Hypochlorite (NaOCl, Bleach) as specified herein		
	TANKER LOAD		
1.		Gallon	\$1.645 <u>\$1.70</u>
	Manufacturer offered:		
	Allied Universal Corp. Sodium Hypochlorite (NaOCl, Bleach) as specified herein		
	Tanker load is 5,000 gallons (Split between two of Plantation locations)		
2.		Gallon	\$1.71 <u>\$1.76</u>
	Manufacturer offered:		
	Allied Universal Corp.		

Finance Director/Budget Manager Recommendation:**Prepared By:**

Charles Spencer

ATTACHMENTS:

[Proposed Amendment No. 4.pdf](#)

[Original Executed Agreement.pdf](#)