

Memorandum



Date: September 6, 2023

To: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

Agenda Item No. 8(O)(2)

From: Daniella Levine Cava
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava".

Resolution No. R-766-23

Subject: Recommendation to Ratify Emergency Contract Award for the Repair of Cryogenic Plant No. 1 at North District Wastewater Treatment Plant

Executive Summary

This item asks the Board of County Commissioners (Board) to ratify the award of an Emergency Contract for the emergency repair of Cryogenic Plant No. 1 at Miami-Dade Water and Sewer Department's (WASD) North District Wastewater Treatment Plant (NDWWTP). NDWWTP has three cryogenic oxygen plants that are used to produce pure oxygen for the treatment of wastewater. Pure oxygen enables the growth of aerobic bacteria in the activated sludge treatment process to treat organic contaminants and reduce biochemical oxygen demand. These cryogenic oxygen plants were built in the late 1970s and early 1980s, and like most aging infrastructure nearing the end of its useful life, require increasingly more maintenance to remain operable and provide the necessary level of service to meet regulatory requirements. The historic lack of funding in infrastructure and the subsequent limited resources to provide optimal maintenance has manifested in systems and equipment experiencing a steep decline in condition and requiring retrofitting, as well as frequent repair.

On July 2, 2022, after equipment failure (specifically, leaks identified in the Nitrogen piping) and a determination of overall system deterioration, WASD declared an emergency to repair Cryogenic Plant No. 1. Pursuant to Miami-Dade County's Implementing Order No. (IO) 3-38, Master Procurement Implementing Order, the emergency purchase was pursued to place Cryogenic Plant No. 1 back into service immediately for the protection of the life, health, safety, and welfare of the community, as well as the environment. Subsequently, a request for quote was sent to the available, qualified vendors, but only one vendor responded, Ranch Cryogenics, Inc. (Ranch Cryogenics), indicating that they were able to conduct the emergency repairs in a timely manner. This is highly specialized work with a limited pool of qualified, local vendors. Considering the unique and critical circumstance and after evaluating the offer, WASD awarded an emergency purchase contract to Ranch Cryogenics for the emergency repair services in the amount of \$321,097.90. The scope of work included engineering services, compliance with Occupational Safety and Health Administration (OSHA) requirements, and the repair of the specialty equipment.

Recommendation

It is recommended that the Board ratify the award of the emergency contract. *EC-2575, North District Cryogenic Plant No. 1 Repair*, to Ranch Cryogenics in the amount of \$321,097.90.

Scope

The scope for this project included emergency repairs and rehabilitation of Cryogenic Plant No. 1 at the NDWWTP. The Project is located within District 4 represented by Commissioner Micky Steinberg; however, the scope of impact for this item is countywide in nature.

Delegated Authority

The County Mayor or the County Mayor's designee will have the authority to exercise all provisions of the contract, including any cancellation or extension provisions, pursuant to Section 2-8.1 of the County Code and Implementing Order 3-38.

Background

Cryogenic oxygen facilities manufacture pure oxygen, which is essential to the activated sludge process within overall wastewater treatment to treat organic contaminants and reduce biochemical oxygen demand. Without this process, the NDWWTP would not be able to meet the permit requirements and the facility would be at risk of non-compliance with the Clean Water Act and other regulatory rules and regulations. NDWWTP has three cryogenic oxygen plants, all of which are nearing the end of their useful life, requiring increasingly more maintenance. Consent Decree Project No. 3.04 "Oxygen Production", currently in the procurement phase, aims to replace Cryogenic Plants 1 and 2 at NDWWTP, but is still approximately three years away from completion.

NDWWTP is currently operating with Cryogenic Plants 1 and 3. Cryogenic Plant 2 is out of service due to several mechanical and instrumentation defects. During routine annual inspections in June 2022, several critical defects, including leaks in the Nitrogen piping, were identified in Cryogenic Plant 1 and it was placed out of service. At that time NDWWTP was only able to use Cryogenic Plant 3. Consequently, WASD declared an emergency to repair NDWWTP Cryogenic Plant No. 1.

The alternative to repairing Cryogenic Plant No. 1 was purchasing and transporting liquid oxygen (LOX) for an extended period, which was impractical and cost prohibitive, at an estimated amount of \$15,000 per day per plant. Pure oxygen is a critical component of the wastewater treatment process as it enables the growth of aerobic bacteria in the activated sludge that treats organic contaminants and reduces biochemical oxygen demand. Thus, the emergency declaration was deemed necessary to maintain the wastewater treatment process, avoid regulatory exceedances, and most importantly to mitigate potential adverse public health and environmental impacts.

On July 21, 2022, WASD sent out a request for quote to the qualified vendors for the emergency repair of Cryogenic Plant No. 1; and on August 11, 2022, only one bid was received. The award was made to Ranch Cryogenics, and the Notice to Proceed was issued on August 26, 2022. The scope of work for the emergency purchase included all work necessary to implement repairs to Cryogenic Plant No. 1 and place it back into service immediately. The work included engineering services, compliance with OSHA requirements, the repair of leaks detected in the nitrogen circulation piping, and full rehabilitation.

Fiscal Impact/Funding Source

The fiscal impact for the emergency contract is \$321,097.90 for a one-time repair of the Cryogenic Plant No. 1.

Department	Ratification Amount	Funding Source	Contract Manager
Water and Sewer	\$321,097.90	Proprietary Funds	Fredrick Taylor
Total:	\$321,097.90		

Track Record/Monitor

Fredrick Taylor of the Water and Sewer Department is the Procurement Manager.

Vendor(S)

The table below depicts a summary of the selected firm(s).

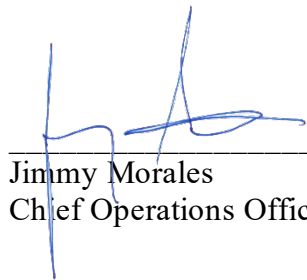
Vendor	Principal Address	Local Address	Number of Employee Residents	Principal
			1) Miami-Dade 2) Percentage*	
Ranch Cryogenics, Inc.	32850 North 1500 East Road, Blackstone, IL	None	0	Michael F Duffy, Jr.
			0%	

Due Diligence

Pursuant to Resolution No. R-187-12, due diligence was conducted in accordance with the Strategic Procurement Department's Procurement Guidelines to determine contractor responsibility, including verifying corporate status and that there are no performance and compliance issues. The lists that were referenced included convicted vendors, debarred vendors, delinquent contractors, suspended vendors, and federal excluded parties. There were no adverse findings relating to vendor responsibility.

Applicable Ordinances and Contract Measures

- The two percent User Access Program provision applies where permitted by funding source.
- The Small Business Enterprise (SBE) contract measures and local preference do not apply as this is an emergency contract award. The Living Wage Ordinance does not apply as the services procured are not covered services under the Ordinance.


Jimmy Morales
Chief Operations Officer



MEMORANDUM

(Revised)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: September 6, 2023

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 8(O)(2)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Statement of social equity required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____ to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(O)(2)
9-6-23

RESOLUTION NO. _____ R-766-23

RESOLUTION RATIFYING AN EMERGENCY CONTRACT AWARD PURSUANT TO SECTION 2-8.1 OF THE COUNTY CODE OF ORDINANCES AND MASTER PROCUREMENT IMPLEMENTING ORDER 3-38; RATIFYING AN EMERGENCY PURCHASE FOR THE MIAMI-DADE WATER AND SEWER DEPARTMENT IN AN AMOUNT NOT TO EXCEED \$321,097.90 FOR ONE-TIME EMERGENCY REPAIR AND REHABILITATION SERVICES FOR CRYOGENIC PLANT NO. 1, EMERGENCY CONTRACT NO. EC-2575 TO RANCH CRYOGENICS, INC.; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXERCISE ALL PROVISIONS OF THE CONTRACT, INCLUDING THE TERMINATION PROVISION

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The foregoing whereas clause is approved and incorporated herein.

Section 2. This Board finds it is in the best interest of Miami-Dade County to ratify the Emergency Contract EC-2575, North District Cryogenic Plant No. 1 Repair to Ranch Cryogenics, Inc., for the one-time emergency repair and rehabilitation of Cryogenic Plant No. 1, for an amount not to exceed \$321,097.90 for the Miami-Dade Water and Sewer Department (WASD) for emergency repair and rehabilitation services.

Section 3. This Board authorizes the County Mayor or County Mayor's designee to exercise all provisions of the contract, including the termination provision. Copies of the contract document and modifications are on file with and available upon request from WASD's Procurement Division.

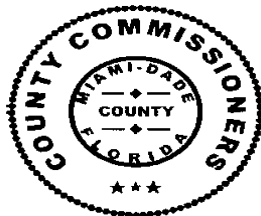
The foregoing resolution was offered by Commissioner **Anthony Rodriguez**, who moved its adoption. The motion was seconded by Commissioner **Kionne L. McGhee** and upon being put to a vote, the vote was as follows:

Oliver G. Gilbert, III, Chairman	aye		
Anthony Rodríguez, Vice Chairman	aye		
Marleine Bastien	aye	Juan Carlos Bermudez	aye
Kevin Marino Cabrera	aye	Sen. René García	aye
Roberto J. Gonzalez	aye	Keon Hardemon	aye
Danielle Cohen Higgins	aye	Eileen Higgins	aye
Kionne L. McGhee	aye	Raquel A. Regalado	aye
Micky Steinberg	aye		

The Chairperson thereupon declared this resolution duly passed and adopted this 6th day of September, 2023. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

JUAN FERNANDEZ-BARQUIN, CLERK



By: **Basia Pruna**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Angela F. Benjamin