

Lee County Board Of County Commissioners
Agenda Item Summary

Blue Sheet No. 20031358

1. **REQUESTED MOTION:**

ACTION REQUESTED: Terminate previous award to Allied Universal Corporation for chlorine of Formal Quote #Q-010287, Chemicals for Utilities. Also request that Allied Universal Corporation not be allowed to submit quotes for chlorine only, to Lee County, based on their performance on this quote, for a period of 180 days. Informal telephone quotes will be taken to obtain this product at the best possible price until a formal annual quote can be put in place.

WHY ACTION IS NECESSARY: Allied Universal Corporation did not meet performance requirements as per the specifications of this quote.

WHAT ACTION ACCOMPLISHES: Protects the safety and well-being of our community and of the citizens of Lee County.

2. **DEPARTMENTAL CATEGORY:** 10
COMMISSION DISTRICT # CW

A10A

3. **MEETING DATE:**

11-25-2003

4. **AGENDA:**

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC WALK ON
- TIME REQUIRED:

5. **REQUIREMENT/PURPOSE:**
(Specify)

- STATUTE
- ORDINANCE
- ADMIN. AC-4-1
- CODE
- OTHER

6. **REQUESTOR OF INFORMATION:**

- A. COMMISSIONER
- B. DEPARTMENT *Utilities*
- C. DIVISION

BY: *Rick Diaz, P.E., Director*

[Signature]
11/13/03

7. **BACKGROUND:** On November 12, 2003 the Division of Purchasing received a request from Lee County Utilities to terminate the chlorine portion of Quote #Q-010287 that was awarded to Allied Universal Corporation. The vendor has been given numerous opportunities to improve its performance over the past year and has failed to do so (please see attached documentation).

- Attachments: (1) Department Request to Terminate
(2) Documentation of Vendor's Performance
(3) Termination Letter to Allied Universal

8. **MANAGEMENT RECOMMENDATIONS:**

9. **RECOMMENDED APPROVAL:**

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services	G County Manager
<i>[Signature]</i> <i>11-13-03</i>	<i>Janet Sheehan</i> <i>11-13-03</i> <i>[Signature]</i> <i>11-13-03</i>	N/A	N/A	<i>for scheduling</i> <i>purpose</i> <i>5/11/03</i> <i>11/13/03</i>	<i>OKM</i> <i>11/13/03</i>	<i>[Signature]</i> <i>11-13-03</i>
					<i>OM</i> <i>11/13/03</i>	
					<i>Risk</i> <i>11/13/03</i>	
					<i>GC</i> <i>11/13/03</i>	

10. **COMMISSION ACTION:**

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by CoAtty
Date: <i>11/13/03</i>
Time: <i>1:54</i>
<i>PA</i>
Forwarded to:

RECEIVED BY COUNTY ADMIN:
<i>11/13/03</i>
<i>2:05 pm</i>
COUNTY ADMIN FORWARDED TO:
<i>11/13/03</i>

ATTACHMENT I

From: Thomas Hill
To: Diaz, Rick; Peterson, Chevone
Date: 11/10/03 11:32AM
Subject: Re: Allied Universal Q-010287

Chevone,

Will the cancellation only be for Gas Chlorine 150 lb. **AND** Ton Cylinders? Or will it be for all of the products that Allied supplies to us such as HTH, Sodium Hydroxide 25% & 50%, Sulfur Dioxide? All of my Senior Staff and our Operators have Serious concerns as to the disregard to our safety (and theirs), potential negligence in manufacturing standards and maintenance of the containers/valving on "EXTREMELY HAZARDOUS SUBSTANCES", as well as a track record that has been established prior to these two recent events. It is my opinion that this problem that exists is a corporate issue and we ban the organization as a whole with the understanding that the cheapest product isn't always the best way to go.....especially when my guys, (and the community around their plants), lives are at stake.

It is my preference to get all the chemicals supplied by Allied out on the new bid ASAP provided that Rick approves and Purchasing is capable of making it happen. If this is deemed inappropriate, then both the 150 lb. & Ton containers of Chlorine Gas need to be canceled and rebid.

Chad will be providing you with the list of vendors for the Chlorine Gas (Tons & 150's) as soon as possible. Other vendors will be provided should the decision be made to drop the vendor completely. Please keep me informed on the path that is chosen.

Thanks!
Tom

>>> Chevone Peterson 11/07/03 03:33PM >>>

Rick,

good afternoon. I am in receipt of the formal complaint forms from James McPhillips dated 10/21 and 10/31 for Allied Universal. Since we have a two formal complaints (one in which we put them on notice), at this time, I would like to cancel their portion of this quote.

As we all know, I'm in the process of completing a new chemical quote and would like to add chlorine to this as well. Upon your written approval, I will send a notice to Allied Universal informing them of the actions we have decided to take.

Since this quote was Board approved, I will need to complete a bluesheet to the Board in order to cancel Allied's section/portion of this quote.

Chad,

if you could please provide me with vendors for chlorine, I would appreciate it. I will need this in order to do an informal telephone quote and be able to add this information to the bluesheet. This will inform the Board that we have contacted a vendor to cover us until the new quote is in place.

Will await your direction.

Thank you

Chevone Peterson
Buyer
Purchasing Department
239.344.5450
239.344.5460 (fax)
cpeterson@leegov.com

CC: Armbruster, Patti; Denney, Chad; Franceschini, Robert; Sheehan, Janet

From: Thomas Hill
To: Diaz, Rick; Peterson, Chevone
Date: 11/10/03 11:32AM
Subject: Re: Allied Universal Q-010287

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239.344.5460 (fax)
cpeterson@leegov.com

CC: Armbruster, Patti; Denney, Chad; Franceschini, Robert; Sheehan, Janet

From: James Lavender
To: Franceschini, Robert
Date: 11/13/03 7:31AM
Subject: Fwd: Re: Allied Universal Q-010287

Yes, I concur, please proceed. Thanks, Jim

>>> Robert Franceschini 11/12/03 02:40PM >>>
11/12

mr. lavender...

please see the attached note from tom hill at utilities...

we have discussed this with mr. diaz and mr. hill and have come to the conclusion that it would be in the county's best interest to immediately terminate the quote for the purchase of this commodity from this vendor.

would you concur with this? please advise via return groupwise.

thanks.

bob

Robert D. Franceschini, C.P.M, CPPB
Purchasing Manager
Division of Purchasing
rfranceschini@leegov.com
Phone: 239-344-5450
Fax: 239-344-5460

CC: Bennett, Margie; Diaz, Rick; Hill, Thomas; Peterson, Chevone; Sheehan, Janet

From: Chevone Peterson
To: Diaz, Rick
Date: 11/7/03 3:33PM
Subject: Allied Universal Q-010287

Rick,

good afternoon. I am in receipt of the formal complaint forms from James McPhillips dated 10/21 and 10/31 for Allied Universal. Since we have a two formal complaints (one in which we put them on notice), at this time, I would like to cancel their portion of this quote.

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239.344.5460 (fax)
cpeterson@leegov.com

CC: Armbruster, Patti; Denney, Chad; Franceschini, Robert; Hill, Thomas; Sheehan, Janet

TIMELINE: Allied Universal Corp.

- 04.09.02 Letter to Catherine Guillarmod re: two incidences that occurred regarding the delivery of chlorine bleach
- 04.20.02 Received complaint from Utilities regarding poor performance from Allied to include leaking valves, safety devices that are required and do not work, safety incident, etc.
- 05.06.02 Met with Allied to discuss on-going issues
- 05.07.02 Letter to Allied documenting the 30-45 day Notice to resolve outstanding issues.
- 05.13.02 G-wise from John Gibson to Hank Barrso advising him to contact Lori Parsons in Risk Management to file a report regarding the damages caused by the dropping of the chlorine cylinder.
- 05.20.02 Letter from Allied outlining the steps they are taking to resolve current issues.
- 05.22.02 E-mail to Mike Hammond (Allied) giving him all delivery locations phone numbers and contact persons.
- 07.03.02 G-wise to dept. checking on the delivery status of Allied; deliveries are going well.
- 01.20.03 Complaint from dept. regarding Allied delivery tanks; request we terminate the quote.
- 02.13.03 Met with Allied; they are aware of the delivery problems and would like to rectify the problem; gave them 60 days to do so. Allied also agreed to communicate with the department.
- 02.17.03 G-wise from Hank Barroso (Utilities) to terminate the quote
- 02.18.03 Spoke with Hank; agreeable to give Allied another chance
- 02.24.03 G-wise from dept.; haven't heard anything from Allied.
- 02.24.04 Spoke with Bernie Greenberg and Mike Hammond regarding communication with dept. will communicate & send results via e-mail.
- 03.06.03 G-wise from Hank Barroso; Mike Hammond from Allied stopped by.
- 11.03.03 Received two vendor complaint forms from Utilities regarding Allied.
- 11.07.03 G-wise to Rick Diaz to terminate quote with Allied.
- 11.10.03 G-wise from Tom Hill to terminate Allied.
- 11.12.03 G-wise to Mr. Lavender informing him of purchasing/utilities decision to terminate Allied; he concurs.
- 11.13.03 G-wise from dept. tank unmarked by Allied
- 11.13.03 Bluesheet in route for 11.25.03 meeting date.

APPROVED: 7/9/02

LEE COUNTY
VENDOR COMPLAINT REPORT

03 NOV -3 PM 2:31

VENDOR: Allied Universal DEPARTMENT Chlorine

ADDRESS: _____ COMPLAINANT'S NAME: James McPhillips

CITY: _____ COMPLAINANT'S TITLE: Plant Lead Operator

PHONE: 305-888-2623 COMPLAINANT'S PHONE#: 239-267-0387

DATE: 10-21-03 QUOTE#: Q-010287

CONTACT: _____ QUOTE TITLE: Chlorine Gas

NATURE OF COMPLAINT

<input type="checkbox"/>	01	Late Delivery	<input checked="" type="checkbox"/>	10	Goods Delivered Damaged
<input type="checkbox"/>	02	Unauthorized Substitute	<input type="checkbox"/>	11	Request to Cancel Due to Bid Error
<input checked="" type="checkbox"/>	03	Poor Quality	<input type="checkbox"/>	12	Problem w/vendor Personnel
<input type="checkbox"/>	04	Failure to Respond to Letter or Call	<input type="checkbox"/>	13	Failure to Replace Damaged Goods
<input type="checkbox"/>	05	Poor Service	<input type="checkbox"/>	14	Repair Parts Not Available
<input type="checkbox"/>	06	Failure to Respond to Service Call	<input checked="" type="checkbox"/>	15	Poor Workmanship
<input type="checkbox"/>	07	Incorrect Items Delivered	<input type="checkbox"/>	16	Failure to Provide Warranty, Manuals, etc.
<input checked="" type="checkbox"/>	08	Failure to Meet Specifications	<input type="checkbox"/>	17	Short Weight or Overshipment
<input type="checkbox"/>	09	Failure to Identify Shipment			

DETAILS OF COMPLAINT: (Attach additional pages if necessary)

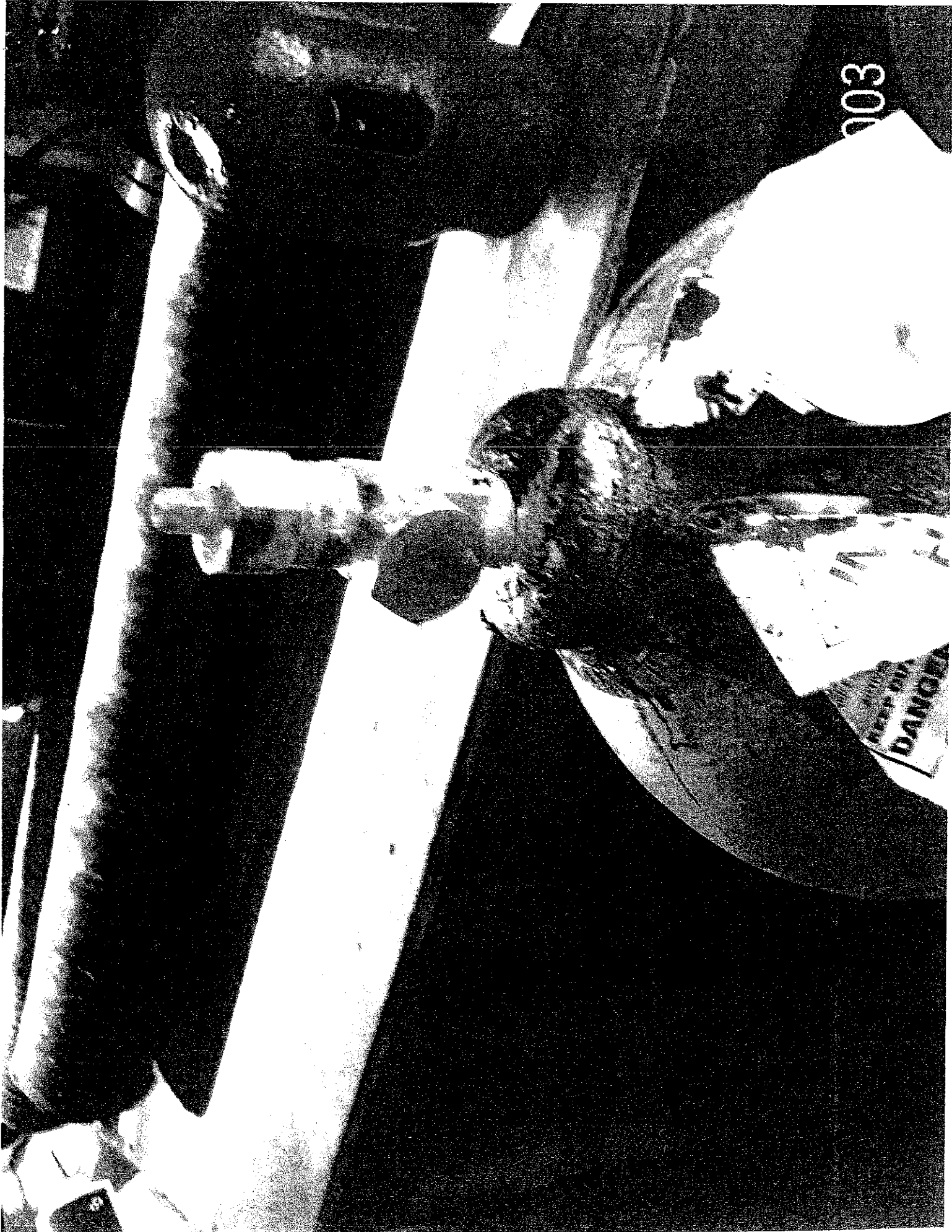
Allied continues to deliver leaking Chlorine cylinders, we have asked them several times in the past to make sure the valves are rebuilt and not leaking when we receive them. An operator was nearly gassed on this last one. Chlorine is a very toxic gas and it will kill. TANK # AU105742

ACTION TAKEN BY BUYER & OUTCOME: (Attach additional pages if necessary)

we continue to call them to come and pick up the defective cylinders, plant operators are put in harms way when opening for use.

Buyers: James M. McPhillips Date: 10-21-03

Has complaint been resolved? Yes No Date resolved: _____



LEE COUNTY
VENDOR COMPLAINT REPORT

VENDOR: Allied Universal DEPARTMENT Chlorine

ADDRESS: 3901 N.W 115th Ave

COMPLAINANT'S NAME: JAMES M. McPhillips

CITY: Miami, Fla 33178

COMPLAINANT'S TITLE: Lead Operator 3-ways WWTP

PHONE: (305) 888-2623

COMPLAINANT'S PHONE#: (239) 267-0387

DATE: 10-31-03

QUOTE#: Q-010287

CONTACT: _____

QUOTE TITLE: Chlorine Gas

NATURE OF COMPLAINT

- | | | | |
|----------------------------------------|--------------------------------------|----------|--------------------------------------------|
| <input checked="" type="checkbox"/> 01 | Late Delivery | _____ 10 | Goods Delivered Damaged |
| _____ 02 | Unauthorized Substitute | _____ 11 | Request to Cancel Due to Bid Error |
| _____ 03 | Poor Quality | _____ 12 | Problem w/vendor Personnel |
| _____ 04 | Failure to Respond to Letter or Call | _____ 13 | Failure to Replace Damaged Goods |
| <input checked="" type="checkbox"/> 05 | Poor Service | _____ 14 | Repair Parts Not Available |
| _____ 06 | Failure to Respond to Service Call | _____ 15 | Poor Workmanship |
| _____ 07 | Incorrect Items Delivered | _____ 16 | Failure to Provide Warranty, Manuals, etc. |
| <input checked="" type="checkbox"/> 08 | Failure to Meet Specifications | _____ 17 | Short Weight or Overshipment |
| _____ 09 | Failure to Identify Shipment | | |

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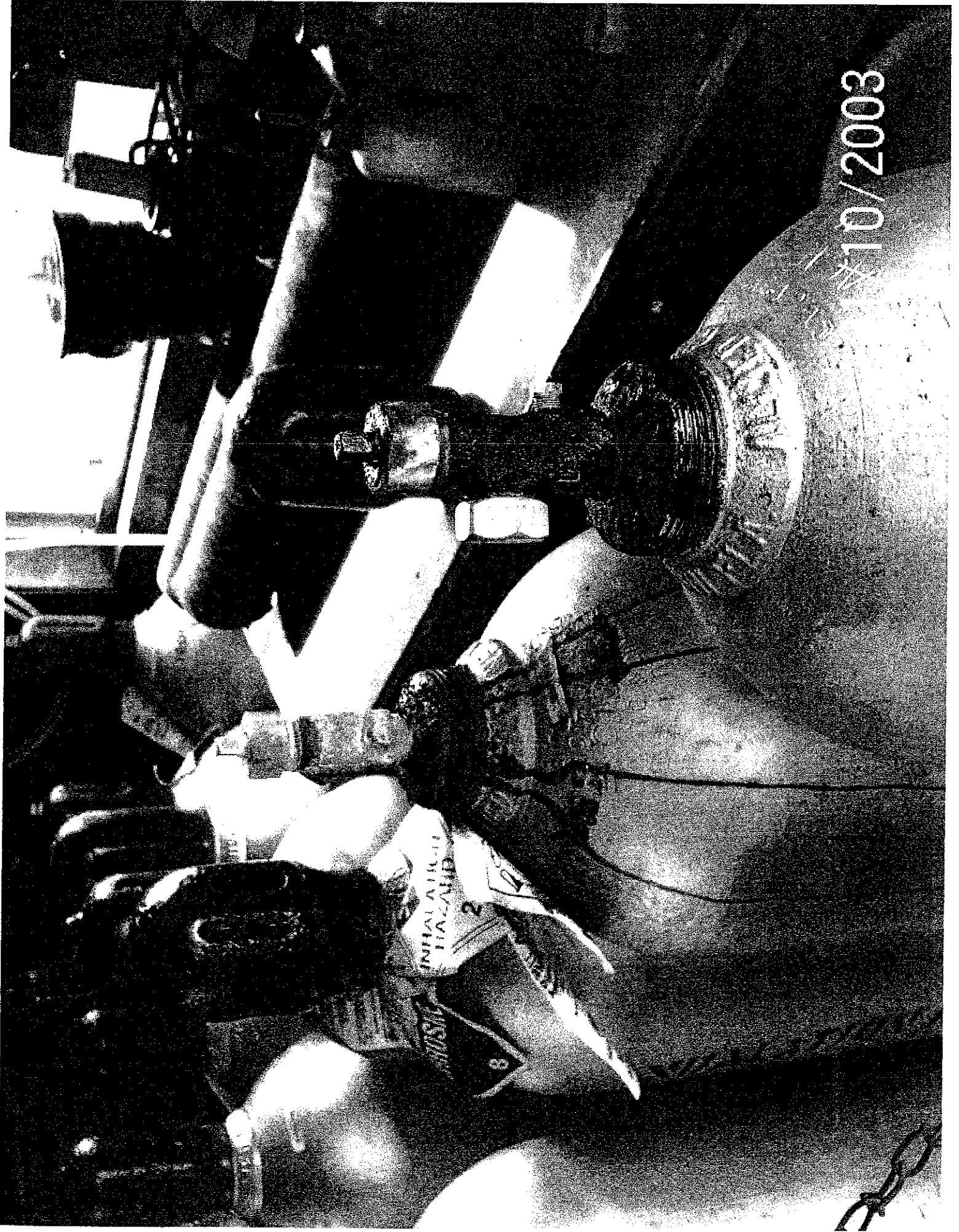
Several Times, Allied has been unable to deliver right amount of 150lb. cylinders of chlorine or just a partial shipment

ACTION TAKEN BY BUYER & OUTCOME: (Attach additional pages if necessary)

Called about shipment, I was told the cylinders didnt make the shipment. ON 10/31/03. 4 cylinders were delivered, NOT THE 15 ORDERED.

Buyer: James M. McPhillips Date: 10-31-03

Has complaint been resolved? _____ Yes No _____ Date resolved: _____



10/10/2003

INITIAL LIGHT
HAZARD
2

Waterway Estates Water Treatment Plant

Issues With Allied Universal

- 1) Believe subcontractor is used for deliveries
- 2) Most times a semi-trailer with a lift gate is used rather than a cherry picker for deliveries
 - a) necessitates unloading part of trailer to access cylinder being delivered
- 3) Only one lead seal is provided with each cylinder-at times 2 are required. Seals cannot be reused. Drivers do not carry extra seals on their trucks.
- 4) On two occasions driver has gotten lost en route to plant.
- 5) Driver backed trailer into light pole south of chlorine enclosure 9/13/02.
- 6) Ton cylinder valve bonnets cannot be secured on any of Allied's cylinders.
- 7) See attached picture. Rotameter tube was clean prior to use of Allied product.

h

ERNAN

LBS. CHLORINE / 24 H

50

60

70

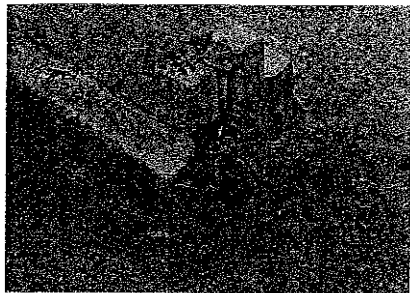
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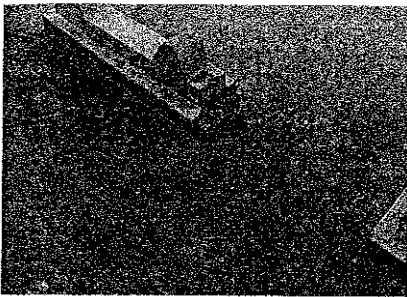
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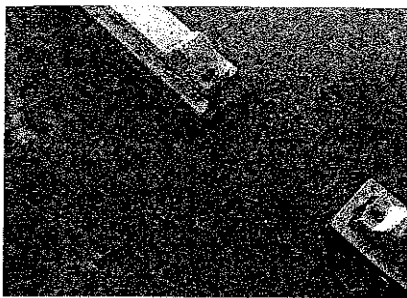
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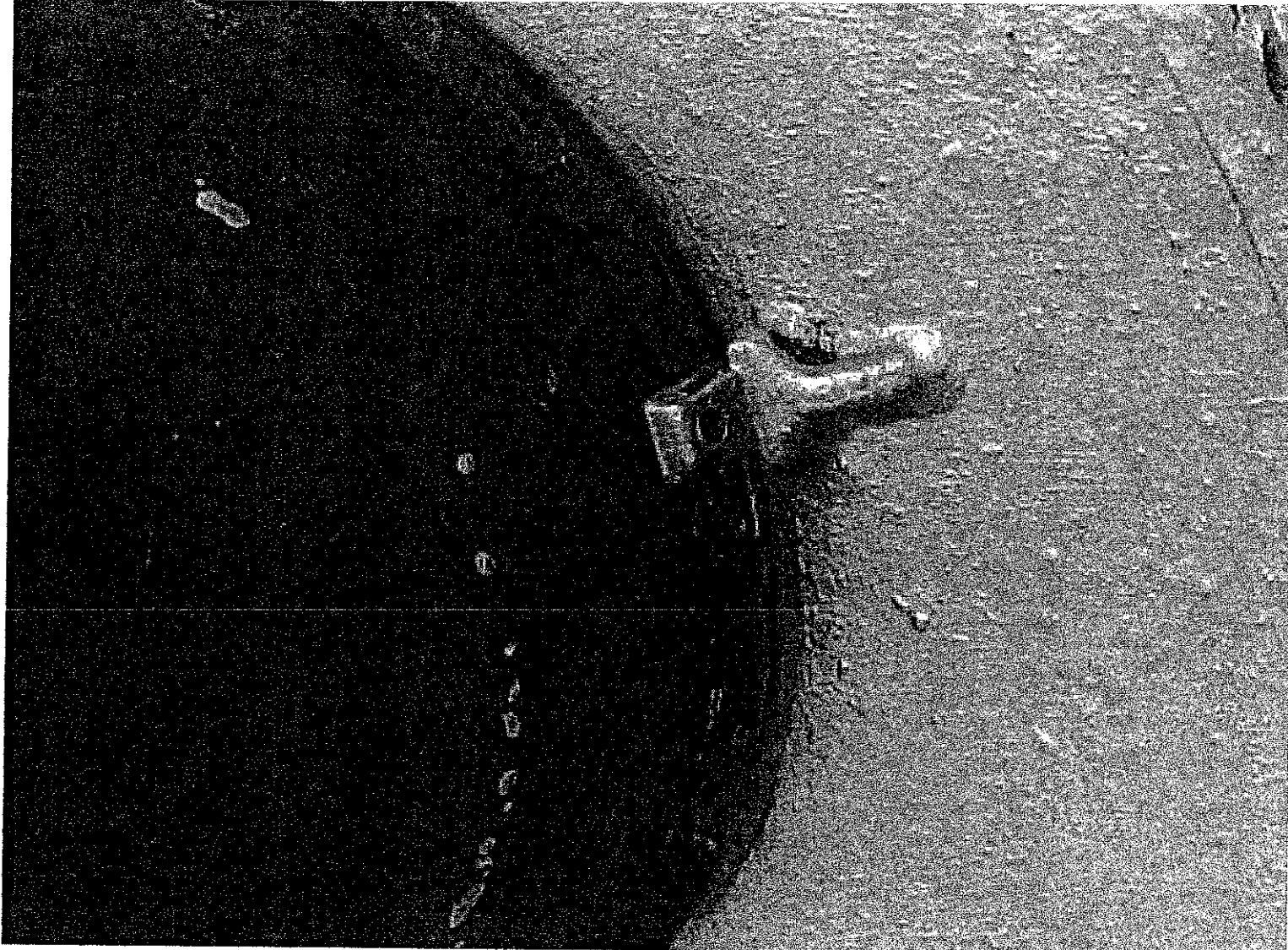
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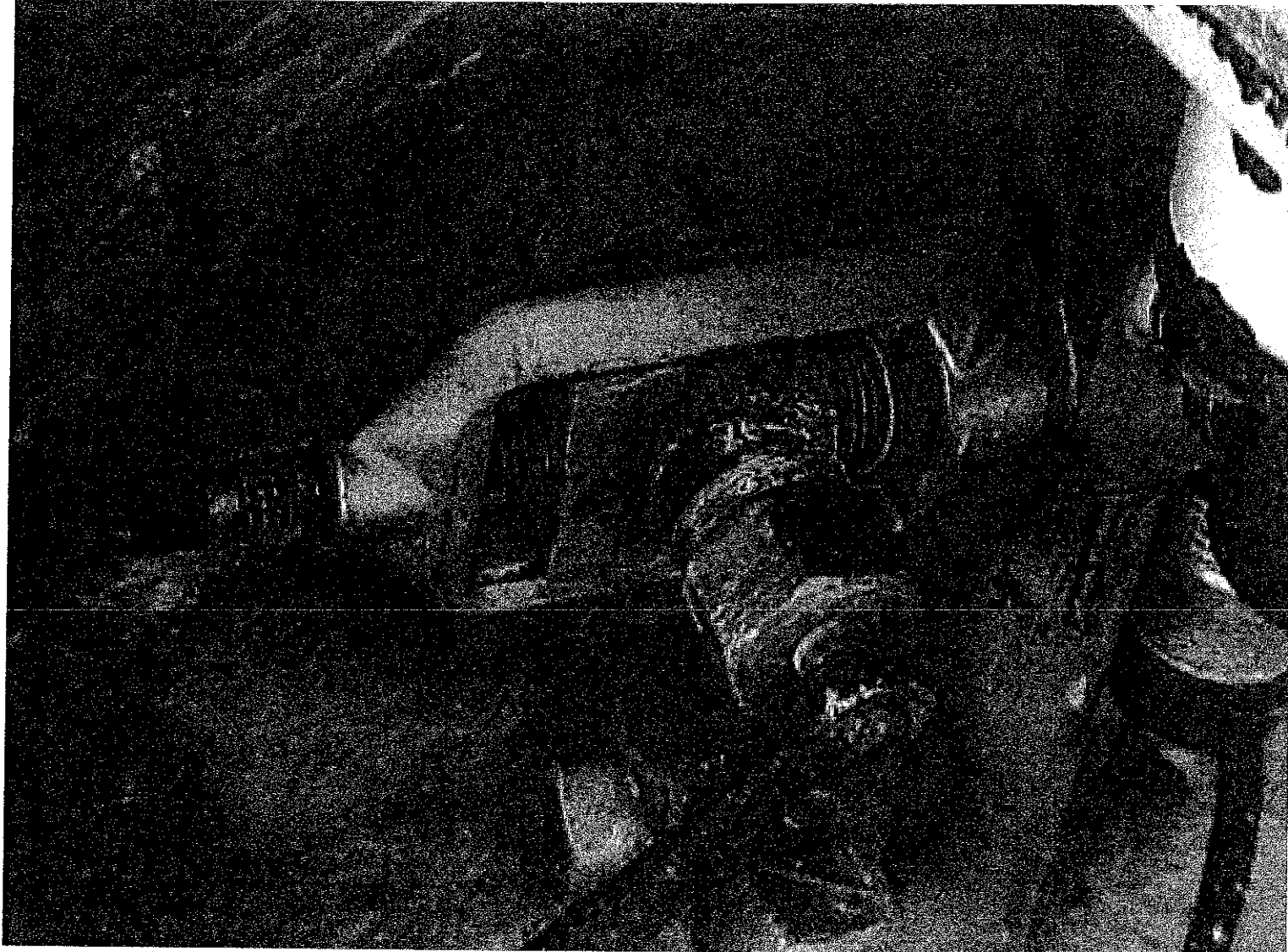


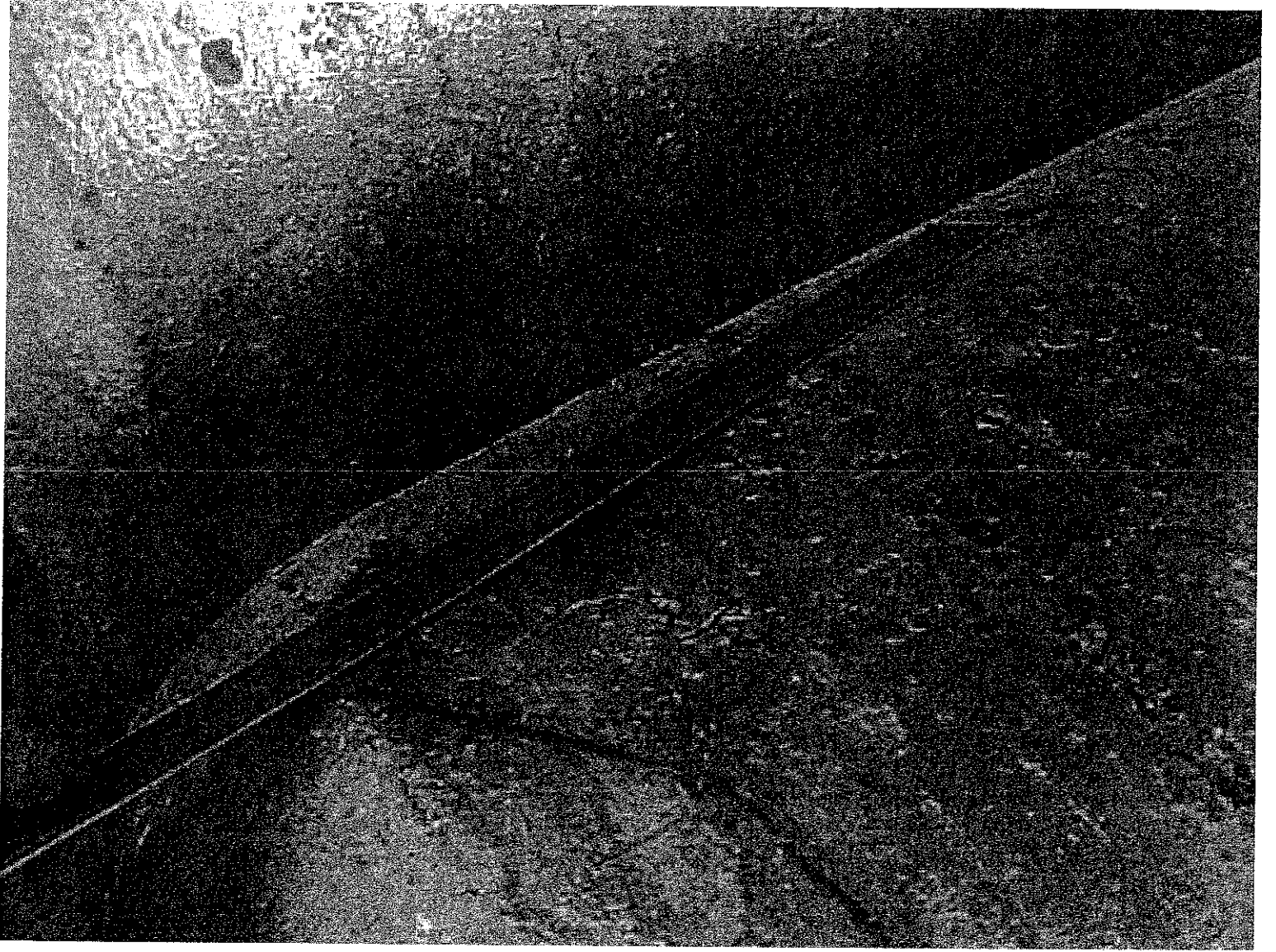














BOARD OF COUNTY COMMISSIONERS

239.344.5460

Writer's Direct Dial Number: _____

Bob Janes
District One

Douglas R. St. Cerny
District Two

Ray Judah
District Three

Andrew W. Coy
District Four

John E. Albion
District Five

Donald D. Stillwell
County Manager

James G. Yaeger
County Attorney

Diana M. Parker
County Hearing
Examiner

SENT VIA FAX 305.463.8369

November 13, 2003

Mr. Bernie Greenberg
ALLIED UNIVERSAL CORP.
3901 N.W. 115 Avenue
Miami, FL 33178

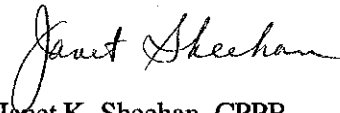
RE: Formal Quotation No. #Q-010287 Annual Purchase of Chemicals for Utilities

Dear Mr. Greenberg,

The purpose of this letter is to inform you that Lee County wishes to terminate, effective immediately, subject quote with your firm for chlorine only, as outlined in paragraph 21, page 8, of the General Conditions for the purchase of chemicals for Utilities.

Please note this action is scheduled to go before our Board on November 25, 2003 in which you may attend.

Sincerely,



Janet K. Sheehan, CPPB
Purchasing Director

/clp

C Quote File

Utilities – Rick Diaz, Utilities Director
Thomas Hill, Superintendent
Allied – Catherine Guillarmod
Mike Hamant (fax 941.496.4478)
Bernie Thompson (fax 305.888.2957)

**MEMORANDUM
FROM
THE DIVISION OF PURCHASING**

NOV 13 2003, 1:20

DATE: November 13, 2003

TO: RICK DIAZ
UTILITIES DIRECTOR

Janet Sheehan
FROM: JANET SHEEHAN, CPPB
PURCHASING DIRECTOR

RE: BLUE SHEET # 20031358

PROJECT: Termination of Chlorine for Chemicals for Utilities

TYPE: Project # Q-010287

AWARDED TO: Allied Universal Corporation

(Kathy)

When you have finished your review of this package, please forward it to Kristie Kroslack in the County Attorney's Office.

If there are any questions or concerns with this package, please contact Chevone Peterson at 344.5450.