

# AGENDA ITEM D3e



**DATE:** December 2, 2009  
**TO:** Gerald J. Seeber, General Manager  
**FROM:** Charles H. Carden, Director of Operations and Facilities *CHC*  
**SUBJECT:** Liquid Carbon Dioxide Supply Services Contract No. 2009-045 with Airgas Carbonic – Option Year 1 - *Approve*

<p><b>SUMMARY:</b> Liquid Carbon Dioxide provides pH and alkalinity adjustment at the Regional Facilities Site, the Tampa Bay Seawater Desalination Plant and the Keller Hydrogen Sulfide Treatment Facility. Tampa Bay Water and the current supplier wish to continue the contract by exercising the first option year.</p>
<p><b>RECOMMENDATION:</b> Approve contract extension through December 31, 2010, for Liquid Carbon Dioxide with Airgas Carbonic.</p>

**COST/FUNDING SOURCE:** \$131.35 per ton and not-to-exceed \$713,400 per calendar year / Uniform Rate

**DISCUSSION:** Tampa Bay Water's use of Liquid Carbon Dioxide provides pH and alkalinity adjustment at the Regional Facilities Site, the Tampa Bay Seawater Desalination Plant and the Keller Hydrogen Sulfide Treatment Facility. The terms of the original contract provide the option to renew the contract for an additional four years; one year at a time or any portion, thereof. The contract states that option years shall be in writing only if agreeable to both parties and all terms remain the same. This renewal option incorporates an escalation clause which is based on the Bureau of Labor Statistics' Carbon Dioxide Index for the Product price and the Diesel Fuel Index for the Delivery Price.

Tampa Bay Water staff members requested and received a letter (attached) from Airgas Carbonic indicating their interest in renewing for the first option year of this contract.

**BACKGROUND:** The original contract was awarded to Airgas Carbonic on December 15, 2008. The unit price currently being paid by Tampa Bay Water to Airgas Carbonic for Liquid Carbon Dioxide Supply Services is \$125 per ton.

Attachment

*GJS*



Airgas Carbonic agrees to extend Contract No. 2009-045 Carbon Dioxide (Liquid Co2) Supply Services until December 31, 2010 under the same terms and conditions of the original contract.

**Airgas Carbonic**

By: *Greg Stanley*

Title: REGIONAL SALES MANAGER

Date: OCTOBER 14, 2009