



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#25-0904

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Rickelle Williams, City Manager

DATE: November 18, 2025

TITLE: Motion Approving an Increase in Contract Cost Capacity for the Purchase
of Liquid Oxygen with VirtAir Inc. - \$1,950,000 - (**Commission Districts 1,
2, 3 and 4**)

Recommendation

Staff recommends the City Commission approve an increase in contract cost capacity for the purchase of liquid oxygen from VirtAir Inc., for the remaining two (2) one (1)-year renewal options, by \$1,950,000, from an estimated annual amount of \$348,600 to \$2,298,600. This action raises the potential total contract amount of \$3,197,200 to \$7,794,400.

Background

On May 20, 2024, Commission Memorandum No. 24-082 was transmitted to the City Commission to communicate the failure of the Vacuum Pressure Swing Adsorption (VSPA) system at the George T. Lohmeyer Wastewater Plant (Exhibit 1). The VSPA system experienced a series of malfunctions and alarms affecting its performance and the production of a reliable supply of oxygen. These issues persisted from initial startup and commissioning until the final shutdown in April 2024. High purity oxygen is critical to the treatment of wastewater. As such, the City has been acquiring oxygen from its contracted supplier at an average cost of approximately \$200,000 per month.

On April 4, 2023, the City Commission awarded an Invitation to Bid (ITB) No. 16 to VirtAir Inc. for Liquid Oxygen for an initial two (2)-year term, with two (2) additional one (1)-year options, for a potential total of four (4) years (CAM #23-0290) (Exhibit 2). The George T. Lohmeyer Wastewater Treatment Plant (GTL) utilizes high purity oxygen to treat incoming wastewater to levels mandated by the Florida Department of Environmental Protection (FDEP). The primary purpose of the ITB was to address occasional shutdowns caused by planned maintenance or equipment replacement. Since the oxygen production facility at GTL was not functioning, it became necessary to utilize this contract to purchase daily deliveries of oxygen beginning in early April 2024 to sustain the biological treatment at GTL. As a result, on July 2, 2024, the City Commission increased the contract amount for

the initial two (2)-year term by \$1,802,800 — from \$697,200 to \$2,500,000 (CAM #24-0437) (Exhibit 3).

In May 2025, the contract was renewed for an additional year to ensure continuity of service, since the production of liquid oxygen at the plant had not resumed as anticipated. Usage projections support the need to increase the contract capacity by \$1.95 million, which includes a previous administrative change order increase of 10% applied on October 6, 2025. The additional \$1.95 million increase for each of the renewal terms would ensure continuous deliveries of liquid oxygen through the life of the contract, which is scheduled to expire on May 11, 2027, assuming both renewal options are exercised.

The City Attorney's Office continues to pursue legal action related to the malfunctioning Vacuum Pressure Swing Adsorption system.

Resource Impact

There will be a current fiscal year impact to the City in the amount of \$1,950,000. Future years' expenditures are contingent upon the approval and appropriation of the annual budgets.

<i>Funds available as of October 20, 2025</i>					
ACCOUNT NUMBER	PROJECT NAME (Program)	CHARACTER/ ACCOUNT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	PURCHASE AMOUNT
10-451-7424- 536-30-3799	Lohmeyer Regional Plant Operations	Services/ Materials/ Other Chemicals	\$5,140,000	\$3,812,447	\$1,950,000
PURCHASE TOTAL ►					\$1,950,000

Strategic Connections

This item is a FY 2026 Commission Priority, advancing the Infrastructure and Resiliency initiative.

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Infrastructure Focus Area, Goal 1: Be a sustainable and resilient community

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are Ready

This item supports the Advance Fort Lauderdale 2040 Comprehensive Plan specifically advancing:

- The Infrastructure Focus Area
- The Sanitary Sewer, Water & Stormwater Element
- Goal 3: Develop and maintain an adequate water supply, treatment and distribution system, which meets the existing and projected needs of the service area in an efficient, economical, and environmentally sensitive manner.

Attachments

Exhibit 1 – Commission Memo No. 24-082

11/18/2025

CAM #25-0904

Exhibit 2 – Commission Agenda Memo #23-0290
Exhibit 3 - Commission Agenda Memo #24-0437

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