

Financial Affairs
Edward Marquez, Chief Financial Officer

SUBJECT: TERMINATE BID NO. 121-BB09 – FLOOR FINISH REMOVER

COMMITTEE: BUSINESS AND FINANCIAL SERVICES

This bid was awarded by the Board on August 21, 2002, and extended on December 18, 2003, to establish a contract, to purchase, at a firm unit price, quantities, as may be required, of floor finish remover, for Stores and Mail Distribution stock.

Item 1 - Floor finish remover was awarded to Rex Chemical Corporation, of Miami, Florida. Subsequent to the award, the awardee failed to perform in accordance with the terms and conditions of the bid. Based on the failure of this vendor to perform, due to unforeseen changes in the cost and availability of raw materials, it is recommended that the award of this item be terminated. Specifically, there is a severe worldwide shortage of Monoethanolamine due to increased demand from China and new laws governing wood treatment. Monoethanolamine is being used to replace chemicals no longer allowed in formulations for wood preservatives. This is a primary factor contributing to the volatile market condition. The below recommendation reflects that the Board not implement the prescribed default provision, as noted in Board Rule 6Gx13- 3C-1.08 -- Performance And Payment Security, Declining A Bid Award, And Bonding Company Qualifications, on Rex Chemical Corporation, of Miami, Florida, since they were not at fault.

Fund Source
0100 - General

M/WBE Eligibility
Female

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

1. **TERMINATE** Bid No. 121-BB09 – FLOOR FINISH REMOVER, effective April 14, 2004, as follows:

REX CHEMICAL CORPORATION
2270 N.W. 23 STREET
MIAMI, FL 33142

OWNER: BETTY GRANJA, PRESIDENT/C.E.O. (WF)

2. Not implement the prescribed default provision, as noted in Board Rule 6Gx13- 3C-1.08 -- Performance And Payment Security, Declining A Bid Award, And Bonding Company Qualifications, on Rex Chemical Corporation, of Miami, Florida.

EM/lja