



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of July 8, 2014  
Action Item for the City Council Meeting of July 15, 2014

**DATE:** July 8, 2014  
**TO:** Ronald L. Olson, City Manager  
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### Supply Agreement for Liquid Ammonium Sulfate

#### **CAPTION:**

Motion approving a supply agreement with Chemtrade Chemicals US LLC, Parsippany, New Jersey for liquid ammonium sulfate in accordance with Bid Invitation No. BI-0161-14 based on lowest responsible bid for an estimated semi-annual expenditure of \$119,000.00, of which \$9,916.67 is required for the remainder of FY 2013-2014. The term of the agreement shall be for six (6) months with options to extend for up to five (5) additional six-month periods, subject to the approval of the supplier and the City Manager or designee. Funds have been budgeted by the Utilities Department in FY 2013-2014.

#### **PURPOSE:**

This chemical will be used to disinfect potable (drinking) water. It will be the primary source of ammonia, which is used in conjunction with chlorine to form mono-chloramine, the primary disinfectant in the water treatment process.

#### **BACKGROUND AND FINDINGS:**

All options to extend the previous contract have been exercised.

#### **ALTERNATIVES:**

Not applicable.

#### **OTHER CONSIDERATIONS:**

Not applicable.

#### **CONFORMITY TO CITY POLICY:**

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement.

#### **EMERGENCY / NON-EMERGENCY:**

Non-emergency.

**DEPARTMENTAL CLEARANCES:**

Utilities Department

**FINANCIAL IMPACT:**

Operating

Revenue

Capital

Not applicable

<b>Fiscal Year: 2013-2014</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		\$4,239,665.98	\$109,083.33	\$4,348,749.31
Encumbered / Expended Amount		\$2,542,131.55	\$0	\$2,542,131.55
This item		\$9,916.67	\$109,083.33	\$119,000.00
BALANCE		\$1,687,617.76		\$1,687,617.76

Fund(s): Water Fund

**Comments:** The \$9,916.67 financial impact shown above represents one (1) month of expenditures that will be encumbered through the end of this fiscal year. The remaining \$109,083.33 for the last five (5) months of the contract will be requested during the normal FY 2014-2015 budget approval process.

**RECOMMENDATION:**

Staff recommends approval of the motion as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Bid Tabulation