



AGENDA MEMORANDUM

Future Item for the City Council Meeting of August 29, 2017
Action Item for the City Council Meeting of September 12, 2017

DATE: August 29, 2017

TO: Margie C. Rose, City Manager

FROM: Dan Grimsbo, Executive Director of Utilities
DanG@cctexas.com
(361) 826-1718

Kim Baker, Assistant Director of Financial Services, Purchasing Division
KimB2@cctexas.com
(361) 826-3169

Sodium Hypochlorite Supply Agreement

CAPTION:

Motion authorizing City Manager, or designee, to execute a supply agreement with Brenntag Southwest, Inc., of Longview, Texas for the purchase of Sodium Hypochlorite ("chemical") in response to Request for Bid No. 1149 based on the lowest responsive, responsible bid for a total amount not to exceed \$1,498,465.05, with an estimated expenditure of \$124,872.09 in FY2016-2017 and funded by the Utilities Fund. The term of the agreement is for one year with an option to extend for up to two additional one-year periods, subject to the sole discretion of the City.

PURPOSE:

This item is to approve a supply agreement for Sodium Hypochlorite for Water and Wastewater Treatment Plants.

BACKGROUND AND FINDINGS:

The Wastewater Department uses Sodium Hypochlorite for disinfection of treated effluent at four Wastewater Treatment Plants. The Water Department will use this chemical at the Sand Dollar Pump Station to boost the disinfection properties of the potable drinking water.

Purchasing Division conducted a competitive Request for Bid process to obtain bids for a new contract. The City received two responsive, responsible bids, one incomplete bid

and one no bid, and is recommending the award to the lowest responsive, responsible bidder, Brenntag Southwest, Inc.

ALTERNATIVES:

None

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:

X Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$8,379,721.89	\$1,373,592.96	\$9,753,314.85
Encumbered / Expended Amount	\$7,975,811.47	\$0.00	\$7,975,811.47
This item	\$124,872.09	\$1,373,592.96	\$1,498,465.05
BALANCE	\$279,038.33	\$0.00	\$279,038.33

Fund(s): Wastewater and Water

Comments:

The initial contract term is for a total amount not to exceed \$1,498,465.05, with an estimated expenditure of \$124,872.09 to be funded in FY2016-17. The total estimated contract value will be \$4,495,395.15 if all options years are executed.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Supply Agreement
Bid Tabulation