



AGENDA MEMORANDUM

Future Item for the City Council Meeting of September 26, 2017
Action Item for the City Council Meeting of October 10, 2017

DATE: September 26, 2017

TO: Margie C. Rose, City Manager

FROM: Dan Grimsbo, Executive Director of Utilities

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<p align="center">Liquid Ammonium Sulfate Solution for the O.N. Stevens Water Treatment Plant Supply Agreement</p>

CAPTION:

Motion authorizing the City Manager, or designee, to execute a supply agreement with Chemtrade Chemicals US, LLC, of Parsippany, New Jersey for the purchase of liquid ammonium sulfate solution in response to Request for Bid (RFB) No. 1261, based on the lowest responsive, responsible bid, for a total amount not to exceed \$ 350,941.00, of which \$175,470.50 will be funded by the Water Fund in FY2017-18. The term of the agreement is for two years with an option to extend for two additional two-year periods, subject to the sole discretion of the City, with a total potential multi-year amount of up to \$2,105,646.00.

PURPOSE:

This item is to approve a supply agreement for liquid ammonium sulfate solution for the O.N. Stevens Water Treatment Plant.

BACKGROUND AND FINDINGS:

The Liquid Ammonium Sulfate Solution will be used as a source of ammonia in the formation of chloramines to disinfect the treated water.

The City received one responsive, responsible bid, out of 26 notifications issued, and is recommending the award to the lowest responsive, responsible bidder, Chemtrade Chemicals US, LLC.

ALTERNATIVES:

No feasible alternatives.

OTHER CONSIDERATIONS:

Not applicable.

CONFORMITY TO CITY POLICY:

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

EMERGENCY / NON-EMERGENCY:

Non-emergency.

DEPARTMENTAL CLEARANCES:

Utilities Department – Water

FINANCIAL IMPACT:

☒ Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$0	\$2,105,646.00	\$2,105,646.00
Encumbered / Expended Amount	\$0	\$0.00	
This item	\$0	\$2,105,646.00	\$2,105,646.00
BALANCE	\$0	\$0	\$0

Fund(s): Water

Comments:

The initial contract term total is \$350,941.00, with a total potential multi-year amount of up to \$2,105,646.00. \$175,470.50 will be funded by the Water Fund in FY2017-18, and annual funding will be requested during future budget years.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Supply Agreement
Bid Tabulation