



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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Chemkeys and Reagents for O.N. Stevens Water Treatment Plant

CAPTION:

Resolution finding that the purchase of chemkeys and reagents for O.N. Stevens Water Treatment Plant is a sole source procurement; and authorizing the City Manager, or designee, to execute a supply agreement with Hach Company of Loveland, Colorado, for the purchase of chemkeys and reagents for a total amount not to exceed \$825,780.23 for a three-year term, with an annual step price increase

PURPOSE:

The purpose of this agenda item is to appropriate funds to execute a contract with Hach Company for chemkeys and reagents for O.N. Stevens Water Treatment Plant.

BACKGROUND AND FINDINGS:

The O.N. Stevens Water Treatment Plant has a large number of HACH online instrumentation for the plant and water quality. HACH chemkeys, reagents and other consumables are used to test and maintain the quality and safety of our drinking water.

ALTERNATIVES:

Not applicable.

OTHER CONSIDERATIONS:

Contract will increase annually through the three-year term of the contract as follows:

Year 1: \$269,675.25

Year 2: \$277,285.81

Year 3: \$278,819.17

\$825,780.23 Total Contract Value

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 - Water

FINANCIAL IMPACT:

X Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$0	\$825,780.23	\$825,780.23
Encumbered / Expended Amount			
This item	\$0	\$825,780.23	\$825,780.23
BALANCE	\$0	\$0	\$0

Fund(s): Water

Comments: Annual funding will be requested during each of the budget years by the Water departments. The cost in FY2017-18 will be \$269,675.25 to be funded from the Water Fund. The contract term is for three years for a total amount not to exceed \$825,780.23.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Supply Agreement
Resolution
Price Sheet