



CITY OF ANN ARBOR
WATER TREATMENT SERVICES

May 4, 2009

City Of Ann Arbor
Invitation To Bid
Water Treatment Chemical – High Calcium Quicklime

BID NO. ITB-4026
DUE: Thursday, May 21, 2009

Sealed bids will be received (**original plus one (1) copy**) by the Purchasing Office on or before 2:00 p.m., Thursday, May 21, 2009, at which time they will be opened and publicly read aloud. All bids become the property of the City of Ann Arbor.

Specifications are attached.

We have enclosed our Human Rights Work Utilization Forms to be filled out and returned with your bid or you may submit an updated EEO-1 with your bid. Submittal of these forms with your bid is not a requirement of this bid; however, the first and second low bidders are required to complete a contract compliance form or an acceptable equivalent by no later than 5:00 p.m. of the work day following the opening.

No bidder may withdraw his bid within 60 days after the date set for the opening thereof.

The City of Ann Arbor reserves the right to accept any bid, to reject any bid or all bids, to waive irregularities and/or informalities in any bid, and to make the award in any manner deemed in the best interest of the City.

Specifications referred to herein are used to indicate the desired type, quantity and quality of chemical. An alternate may be offered if deviations from specifications are minor and if all deviations are properly outlined on a separate sheet. Failure to outline all deviations may be grounds for rejection of your bid (see attached specifications).

The decision of the City of Ann Arbor's authorized representative, shall be final as to what constitutes acceptable deviations from specifications.

All envelopes must be marked, "QUICKLIME" and include the bid number, the date due and the time due. We cannot be responsible for any bid not marked as stated above.

City of Ann Arbor
Water Treatment Plant, 919 Sunset Road, Ann Arbor, Michigan 48103-2924
(734) 994-2840 • Fax (734) 994-0151

<http://www.a2gov.org>



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MATERIAL SAFETY DATA SHEET: Each vendor shall provide the City of Ann Arbor with a complete copy of the U. S. Department of Occupational Safety & Health Administration, Material Safety Data Sheets, (form OSHA-20) for each product you are bidding on.

NSF/ANSI STANDARD 60: The City of Ann Arbor Water Treatment Plant requires an affidavit from the manufacturer or bidder that the quicklime furnished under this contract conforms to NSF/ANSI Standard 60 and meets or exceeds this standard.

COPIES OF BID: The bidder will be required to furnish the original bid plus one (1) copy.

QUANTITY: These quantities shown are for estimating purposes only, not a guarantee of actual usage.

ITEM NO. 1 HIGH CALCIUM QUICKLIME

QUANTITY - APPROXIMATELY 3,900 TONS

	<u>PRICE</u>
QUICKLIME AS SPECIFIED	\$ <u>124.00</u> TON
FREIGHT	\$ <u>38.25</u> TON
TOTAL DELIVERED COST	\$ <u>162.25</u> [*] TON

*for a 35 ton load

Please indicate surcharges, and other additional freight charges such as assessed for "Frost Laws" load restrictions.

Additional Freight Costs during Road Weight Restrictions: \$ 18.00 per ton*

*13 ton minimum delivey

All shipments will be f.o.b. destination, freight prepaid.

Subject to the terms and conditions of the City of Ann Arbor purchase order.

REMARKS:

As per May 14th e-mail from Larry Sanford, samples not required.

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Day of bid opening a 1/4 lb. sample and a typical analysis of the product the bidder proposes to furnish will be supplied to the Purchasing Office, 100 N. Fifth Ave., Ann Arbor, Michigan 48104.

CONTACT PERSONS: If there are any questions concerning the attached specifications, please contact Larry Sanford, Assistant Manager, Water Treatment Plant at (734) 994-2840, Monday through Friday, between the hours of 8:30 a.m. through 3:00 p.m.

AWARD: The award will be to the lowest total bid, including freight costs when "frost laws" are in effect or any other factors deemed to be in the best interest of the City of Ann Arbor (including but not limited to material characteristics as they relate to unloading and feed systems at the water and wastewater plants). The City of Ann Arbor reserves the right to reject low bids which do not meet specifications.

NOTE: Previous experience and performance may be a factor in making the award.

NOTE: If cost exceeds \$10,000.00 this bid will require Human Rights and if exceeds \$25,000.00 will require City Council approval. Therefore, the bid could be approved after the date stated above. The purchase order will be issued as soon thereafter as possible.

CONTRACT PERIOD: Twelve (12) month period, to start approximately July 1, 2009 through June 30, 2010.

RENEWAL: The proposed agreement may be renewed for up to three (3) one (1) year periods provided that by 60 days prior to end of the contract both parties agree to an extension under the same terms and conditions as exist in the current contract. No further renewal shall be made.

PRICING: Supplier may revise the price semi-annually using the formula below, using the Producers Price Index (PPI) published by the U.S. Bureau of Labor Statistics ("BLS"). The choice of specific BLS Producers Price index or indices and the weighting given to a choice of multiple indices will be mutually agreed upon by the City and the Provider. Seasonally unadjusted indices will be used. The adjusted price will be in effect for six months only, at which time it will be adjusted again or revert to the bid price (base selling price).

- The Supplier should include in their bid an appropriate index or indices and the weighting to be applied to each. The Supplier should include the Series ID number with their bid and include their proposed revision formula.
- The Supplier will adjust the price semiannually, on January 20 and July 20 (if the renewal extensions are exercised or the contract is multiyear).

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- The Base Selling Price will be the amount bid by the Supplier.
- The Base Period Factor, denoted with a subscripted zero (in the example: E_0 and D_0), shall consist of an average of the most recent finalized indices for a period of one year, immediately preceding the date of the approved City Council resolution for the product being purchased, for that particular representative index. For monthly published indices this will be the arithmetic average of the twelve most recently published finalized indices. For quarterly published indices this will be the arithmetic average of the four most recently published finalized indices.
- The Adjustment Factor, denoted with no subscript (in the example: E and D), shall be based upon an average of the six most recently published monthly indices, (or three most recently published quarterly indices) at the time of the revision, for that particular index. For timeliness, if any monthly or quarterly index is still preliminary (designated with a P in the published numbers) at the time of the revision, it will be used in its preliminary state.
- Should the index referenced cease to be published or is published in an alternate form (different Series Number, Base Date, or Period), a mutually agreed upon and similar index will be used for future adjustments.
- When Base Dates are revised by the BLS, rebasing shall be done as needed based upon the old and new reference base period.
- The US Bureau of Labor Statistics Producers Price indices can be found at www.bls.gov/ppi
- The Revision Formula is: $P = P_0[r/100(X/X_0) + s/100(Y/Y_0) + t/100(Z/Z_0) + \dots]$
Where
 P_0 = Base Selling Price or original bid price as per the Bid Documents.
 P = Revised product price for the new future six month period.
 X_0 = Base Period Factor for a selected index.
 X = Adjustment Factor for the same index.
 $r + s + t + \dots = 100$ = weighted proportion of selected index in revision formula

Following is an example of a revision formula. The parameters are defined below.

$$P = P_0 \times [0.70 (E/E_0) + 0.30 (D/D_0)]$$

Product Price

P_0 = Base Selling Price or original bid price as per the Bid Documents

P = Revised product price for the new future six month period.

Electric Power

E_0 = Base Period Factor for Electric Power Distribution – East North Central

E = Adjustment Factor for Electric Power Distribution – East North Central PPI Monthly Index - Series ID: PCU221122221122433, Not Seasonally Adjusted, Base Date: 9012

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Diesel

D_0 = Base Period Factor for #2 Diesel Fuel

D = Adjustment Factor for #2 Diesel Fuel PPI Monthly Index - Series ID:
WPU057303, Not Seasonally Adjusted, Base Date: 8200

DELIVERIES: Supply and transport F. O. B. Destination, Freight Prepaid to the City of Ann Arbor, Wastewater Treatment Plant, and Water Treatment Plant location and/or designated area on an "AS NEEDED BASIS". Please also indicate surcharges, and any other additional freight charges such as that assessed for "FROST LAW" load restrictions appropriately (see page 3).

ASSIGNMENTS: The vendor agrees not to assign or transfer this contract or any part thereof without the written consent of the City of Ann Arbor, acting through its authorized representative. Any unauthorized assignment may subject the contractor to immediate termination.

CONTRACT COMPLIANCE: The successful bidder must comply with the city of Ann Arbor's Non-Discrimination Regulations (Chapter 112, Section 9:161 of the City Code) before award and at all times during the term of this proposed contract and/or agreement.

ERRORS/OMISSIONS/DISCREPANCIES: Any errors, omissions or discrepancies in the specifications discovered by a prospective contractor and/or service provider shall be brought to the attention of Larry Sanford, Assistant Manager, Water Treatment Plant at (734) 994-2840 as soon after discovery as possible. Further, the contractor and/or service provider shall not be allowed to take advantage of errors, omissions or discrepancies in the specifications.

INSURANCE REQUIREMENTS: The successful Provider shall be required to procure and maintain during the life of this Contract, inclusive of any renewal thereof, such insurance policies, including those set forth below, as will protect itself from all claims for bodily injuries, death or property damage which may arise under this Contract; whether the acts were made by the Provider or by any subcontractor or anyone employed by them directly or indirectly. The following insurance policies are required:

- A. Worker's Compensation Insurance in accordance with all applicable state and federal statutes. Further, Employers Liability Coverage shall be obtained in the following minimum amounts:

Bodily Injury by Accident - \$500,000 each accident
Bodily Injury by Disease - \$500,000 each employee
Bodily Injury by Disease - \$500,000 each policy limit

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- B. Commercial General Liability Insurance equivalent to, as a minimum, Insurance Services Office form CG 00 01 07 98. The City of Ann Arbor shall be an additional insured. There shall be no added exclusions or limiting endorsements including, but not limited to: Products and Completed Operations, Explosion, Collapse and Underground coverage or Pollution. Further, the following minimum limits of liability are required:

\$1,000,000	Each occurrence as respect Bodily Injury Liability or Property Damage Liability, or both combined.
\$2,000,000	Per Job General Aggregate
\$1,000,000	Personal and Advertising Injury

- C. Motor Vehicle Liability Insurance, including Michigan No-Fault Coverages, equivalent to, as a minimum, Insurance Services Office form CA 00 01 07 97. The City of Ann Arbor shall be an additional insured. There shall be no added exclusions or limiting endorsements. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles. Further, the limits of liability shall be \$1,000,000 for each occurrence as respects Bodily Injury Liability or Property Damage Liability, or both combined.
- D. Umbrella/Excess Liability Insurance shall be provided to apply excess of the Commercial General Liability, Employers Liability and the Motor Vehicle coverage enumerated above, for each occurrence and for aggregate in the amount of \$5,000,000.

Insurance required under this Contract shall be considered primary as respects any other valid or collectible insurance that the City may possess, including any self-insured retentions the City may have; and any other insurance the City does possess shall be considered excess insurance only and shall not be required to contribute with this insurance. Further, the successful Provider agrees to waive any right of recovery by its insurer against the City. In the case of all Contracts involving on-site work, the successful provider shall provide to the City before the commencement of any work under this Contract documentation demonstrating it has obtained the above mentioned policies. Documentation must provide and demonstrate an unconditional 30 day written notice of cancellation in favor of the City of Ann Arbor. Further, the documentation must explicitly state the following: (a) the policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts; (b) any deductibles or self-insured retentions which shall be approved by the City, in its sole discretion; (c) that the policy conforms to the requirements specified. An original certificate of insurance may be provided as an initial indication of the required insurance, provided that no later than 21 calendar days after commencement of any

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work the successful Provider supplies a copy of the endorsements required on the policies. Upon request, the successful Provider shall provide within 30 days a copy of the policy(ies) to the City. If any of the above coverages expire by their terms during the term of this Contract, the successful Provider shall deliver proof of renewal and/or new policies to the Administering Department at least ten days prior to the expiration date.

Any insurance provider of successful Provider shall be admitted and authorized to do business in the State of Michigan and shall carry and maintain a minimum rating assigned by A.M. Best & Company's Key Rating Guide of "A-" Overall and a minimum Financial Size Category of "V". Insurance policies and certificates issued by non-admitted insurance companies are not acceptable unless approved in writing by the City.

Contractor will maintain all required insurance of the parties as specified during the existence of this agreement, including renewals.

INDEMNIFICATION: To the fullest extent permitted by law, the contractor shall indemnify, defend and hold the City, its officers, employees and agents harmless from all suits, claims, judgments and expenses including attorney's fees resulting or alleged to result, in whole or in part, from any negligent, grossly negligent, reckless and/or intentional wrongful or tortious acts or omissions by the contractor or its employees and agents occurring in the performance of this agreement.

DEFAULT: If defined as the failure of the bidder to fulfill the obligations of the contract, including but not limited to: failure to deliver on time or the unauthorized substitution of articles other than those quoted and specified on the contract; or failure to deliver specified quantities (repetitive shortages). If continued abuse of any or all of the above conditions persist, the City of Ann Arbor will notify the contractor in writing. The contractor will be given ten (10) days to correct this "Default" condition. Failure to do so within the specified period will result in the City's canceling the contract and procuring the articles or services from other sources and hold the contractor responsible for any excess cost occasioned thereby.

The City shall have the privilege, with or without cause, to cancel and annul this agreement at any time on 10 days notice to the bidder. The City shall provide notice of termination by first-class mail to the bidder at the address listed in the bid documents. If notice is provided by first-class mail it shall be considered delivered when placed, postage prepaid, in the U.S. Mail.

If the contract is terminated for reasons other than breach of contract by the bidder, the bidder shall be compensated for services provided prior to the date of the notice of termination.

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PLEASE CHECK: We have read the attached specifications thoroughly?

Yes No

Are all exceptions to the attached specifications properly outlined?

Yes No

INVOICE TERMS: Discount of 0 % or \$ zero will be allowed for payment of invoice thirty (30) days from day of delivery and acceptance.

OTHER TERMS: Less than 30 days, E.O.M., Proximo, etc., will not be considered in determining award of contract.

CERTIFICATION: WE HEREBY CERTIFY THAT THE "QUICKLIME" DELIVERED TO THE CITY OF ANN ARBOR MEETS OR EXCEEDS YOUR SPECIFICATIONS IN EVERY RESPECT.

Bruce D. Routhieaux
Authorized Representative's Signature

Bruce D. Routhieaux, V.P. Sales
Printed

The City of Ann Arbor reserves the right to accept any bid, to reject any bid or all bids, to waive irregularities and/or informalities in any bid, and to make the award in any manner deemed in the best interest of the City.

The undersigned agrees that if the bid is accepted by the City of Ann Arbor, a binding contract will be in effect for the delivery of the goods in accordance with the bid.

All envelopes must be clearly marked with the bid number, "QUICKLIME", due date and time. We cannot be responsible for any bid not marked as stated above.

RETURN BID TO:

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CITY OF ANN ARBOR
PURCHASING OFFICE
P.O. BOX 8647
ANN ARBOR, MI 48107

CITY OF ANN ARBOR
PURCHASING OFFICE
100 N. FIFTH AVENUE
ANN ARBOR, MI 48104

Carmeuse Lime, Inc.
COMPANY

11 Stanwix Street, 11th Floor
ADDRESS

Pittsburgh, PA - 15222
CITY STATE ZIP

Company's Representatives

Bruce D. Routhieaux
Signature

Bruce D. Routhieaux
Printed

May 21st, 2009 Vice President, Sales
Date Title

412 995-5515 412 995-5515
Phone Number Fax Number

Location of plant is in Canada.
Federal I.D. Number