

City of Ann Arbor

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Legislation Text

File #: 08-0893, Version: 1

Resolution to Approve Purchase of Hydrofluorosilicic Acid for Water Treatment from Thatcher Co. of Montana, Bid No. 3949 (estimated \$70,500.00/yr)

Your approval is requested to authorize the purchase of hydrofluorosilicic acid for the Water Treatment Services Unit. The estimated total cost of this chemical for FY 2008-09 is \$70,500.00.

The CDC has established that 0.7mg/L-1.2 mg/L of fluoride in the drinking water is safe, healthy and effective for preventing tooth decay. Fluoride in the drinking water supplied from the City's water treatment plant is about 1.0 mg/L. The City's source water normally has about 0.3 mg/L-0.5 mg/L of fluoride. The Water Treatment Services Unit uses hydrofluorosilicic acid to bring fluoride level to about 1.0 mg/L.

The EPA neither endorses nor opposes the addition of fluoride to drinking water; the decision to add fluoride in the drinking water is made at local level. However, the EPA has set the maximum level of fluoride to be 4.0 mg/L in drinking water. A resolution passed by City Council in 1950 directed City staff to fluoridate water.

The following bids were received:

Brenntag Great Lakes \$0.2882/lb + ≤ \$0.02/lb per quarter
Thatcher Co of Montana \$0.3422/lb
Alexander Chemical Corp \$0.3425/lb
Pennco Inc \$0.345
LCI LTD \$0.02/lb per quarter
\$0.3425/lb

Sal Chemical no bid

Although Brenntag Great Lakes is the lowest bidder for supplying Hydrofluorosilicic Acid, they asked to change the price after being awarded the contract in July 2008 and were unwilling to supply hydrofluorosilicic acid at the bid price. In order to maintain the integrity of the bid process, it was decided to refuse Brenntag's price increase and accept the next lowest bid of Thatcher Co of Montana. Therefore, it is recommended that this resolution be approved to satisfy the Water Treatment Service Unit's requirements of hydrofluorosilicic acid from Thatcher Co of Montana, as the lowest responsible bidder.

Funds are specifically budgeted for this purchase in the approved FY09 Operations and Maintenance Budget for the Water Supply System.

It is also recommended that the purchase order with Thatcher Co of Montana be extended for up to two additional years if the City deems it to be in its best interest. Approval for FY10 and FY11 is subject to the availability of funding.

In the event Thatcher Co of Montana is unable to furnish the chemical, it is requested that the City

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Administrator be authorized to accept the next lowest responsible bidder for the hydrofluorosilicic acid purchase.

Prepared by: Larry Sanford, Asst Manager, Water Treatment Services

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, The Water Treatment Services Unit adds hydrofluorosilicic acid to the water supply for the prevention of tooth decay;

Whereas, Contracts for supplying estimated requirements are the most stable and cost-effective way of meeting water treatment needs;

Whereas, Of the bids received to supply hydrofluorosilicic acid per Bid No. 3949, Brenntag Great Lakes submitted the lowest bid but asked to change the bid price after being awarded the Contract in July, 2008;

Whereas, It is decided to reject Brenntag's bid to maintain the integrity of the City's bid process;

Whereas, Thatcher Co of Montana submitted the next lowest bid; and

Whereas, Thatcher Co of Montana received the Human Rights approval on September 16, 2008;

RESOLVED, That Council accept the Thatcher Co of Montana's bid of \$0.3422/lb for hydrofluorosilicic acid in accordance with the terms of Bid No. 3949;

RESOLVED, That the City Administrator be directed to approve a purchase order with Thatcher Co of Montana for purchase of hydrofluorosilicic acid in accordance with this resolution at \$0.3422/lb, for a projected cost of approximately \$70,500.00 for FY09;

RESOLVED, That the City Administrator be authorized to renew the purchase order for up to two one -year periods provided both parties agree to an extension and subject to the availability of funding;

RESOLVED, That the City Administrator be directed to accept the next lowest responsible bidder if Thatcher Co of Montana is unable to furnish adequate supplies;

RESOLVED, That the purchase of hydrofluorosilicic acid be funded from the approved FY09 Operation and Maintenance Budget of the Water Supply System and from the FY10 and FY11 budgets if so approved by Council; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this resolution.