

City of Ann Arbor

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Legislation Text

File #: 22-0953, Version: 1

Resolution to Approve Purchase of Sodium Hexametaphosphate (SHMP) for Water Treatment Plant Services from Carus, LLC, Bid No. ITB 4720 (estimated \$181,728.00/year)
This resolution seeks approval to purchase approximately 63,100 pounds of Sodium Hexametaphosphate (SHMP), at \$288.00/CWT from Carus, LLC. The Water Treatment Services Unit uses SHMP to stabilize the water after softening to prevent interruption of the filtering process. The estimated total cost of this chemical is \$181,728.00 for FY23.

The following bids were received: Shannon Chemical Corp \$577.89/CTW Carus. LLC \$288.00/CTW

It is recommended that the resolution be approved to satisfy the Water Treatment Service Unit's need for SHMP to stabilize the water after softening to prevent interruption of the filtering process and properly treat drinking water.

Carus, LLC submitted the lowest responsible bid among 2 bidders (see attached). Staff recommends Council accept the bid and award a purchase order to Carus, LLC. If Carus, LLC is unable to furnish the chemical, it is recommended that the WTSU Manager be authorized to accept the next lowest responsible bid for the purchase.

It is also recommended that the purchase agreement be extended for up to 3 additional 1-year periods, with price increases consistent with the federal producer price index (PPI) as outlined in the bid documents.

Carus, LLC complies with the requirements of the City's Non-discrimination ordinance.

<u>Budget/Fiscal Impact:</u> Funds are budgeted in the FY23 Operations and Maintenance Budget for the Water Supply System Fund. Purchases in future fiscal years are subject to the availability of funds.

Prepared by: Rebecca Lahr, Drinking Water Quality Manager, Water Treatment Plant

Reviewed by: Brian Steglitz, Interim Public Services Area Administrator

Approved by: Milton Dohoney Jr., City Administrator

Whereas, The Water Treatment Services unit uses Sodium Hexametaphosphate (SHMP) in its water stabilization process;

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

Whereas, Carus, LLC bid to provide the City SHMP was the lowest responsible bid in response to ITB 4719;

Whereas, Carus, LLC complies with the requirements of the Non-Discrimination Ordinance; and

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Whereas, Funding for the purchase of SHMP is available in the FY23 approved Operation and Maintenance Budget of the Water Supply System Fund;

RESOLVED, That the City Council accepts Carus, LLC's bid of at \$288.00/CWT for Sodium Hexametaphosphate (SHMP) in accordance with the terms of Bid No. ITB 4719;

RESOLVED, The City Administrator be directed to approve and issue a purchase order to Carus, LLC for SHMP in accordance with this resolution at \$288.00/CWT, for a projected cost of approximately \$181,728.00 for FY23;

RESOLVED, That the Water Treatment Services Unit Manager be authorized to procure the same amount of SHMP from another vendor if Carus, LLC is unable to furnish the chemical;

RESOLVED, That the City Administrator be authorized to renew the purchase agreement for up to three (3), one-year (1) periods subject to availability of funding and limited to the price escalation clause tied to the Producers Price Index (PPI) as outlined in the bid documents; and

RESOLVED, The City Administrator be authorized to take the necessary administrative actions to implement this resolution.