



Legislation Text

File #: 22-1275, **Version:** 2

Resolution to Approve an Increase to the Fiscal Year 2022 Purchasing Authority with JCI Jones Chemical, Inc. for Sodium Hypochlorite (\$15,211.22) for a Total Not-to-Exceed Amount of \$122,611.22

Attached for your approval is a resolution to approve an increase to the purchasing authority with JCI Jones Chemical, Inc. for Sodium Hypochlorite, which is used at the Water Treatment Plant in the disinfection of drinking water.

Annually, the City receives bids for the Sodium Hypochlorite for use at the Water Treatment Plant through the Mid-Michigan Drinking Water Consortium Bulk Chemicals Bid. JCI Jones, Inc, was the low bidder. On June 6, 2021 City Council approved R-21-186 authorizing a purchase order to JCI Jones Chemical, Inc. in the amount of \$107,400.00.

Raw materials used in the production of Sodium Hypochlorite saw unanticipated inflation throughout the fiscal year with pricing fluctuating as high as \$1.6651 per gallon, and JCI Jones Chemical, Inc. was unable to provide the chemical at the original bid price of \$0.716 per gallon. Staff have explored options for addressing the volatility in this and other chemicals and materials needed for Water Treatment operations, and this increase is essential to continue to purchase from JCI Jones Chemical, Inc. and ensure the City continues to receive the Sodium Hypochlorite needed for its drinking water operations.

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

Reviewed by: Brian Steglitz, Interim Public Services Area Administrator

Approved by: Milton Dohoney Jr., City Administrator

Whereas, Competitive bids were solicited by the Mid-Michigan Drinking Water Consortium;

Whereas, The approved resolution approved the purchase of \$107,400.00;

Whereas, The pricing fluctuations resulted in the total purchase amount of \$122,611.22;

Whereas, This variance resulted in an \$15,211.22 exceedance of the total approved funding authorized by R-21-186;

Whereas, JCI Jones Chemical, Inc. is an approved vendor and complies with the City's Non-Discrimination Ordinance; and

Whereas, Funding for the increase is available in the approved operations and maintenance budgets of the Public Service Area;

RESOLVED, That City Council approve an increase to the purchase authority with JCI Jones

Chemical, Inc. in the amount of \$15,211.22 for a total approved purchase of \$122,611.22; and

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