



Legislation Text

File #: 09-0850, **Version:** 1

Resolution to Approve Purchase of Anhydrous Ammonia (NH₃) for Water Treatment from Tanner Industries, Bid No ITB-4043 (\$36,000.00 annually)

The Water Treatment Services Unit uses anhydrous ammonia in the disinfection of drinking water. In 1982 the Water Treatment Plant switched from chlorine disinfection to chloramine disinfection. Chloramines are made on site by reacting anhydrous ammonia with sodium hypochlorite. This switch had several benefits for the city, the most significant of which was the reduction in the amount of trihalomethane compounds in the drinking water. Trihalomethanes are regulated by the United States EPA in the drinking water. Other advantages of chloramine over chlorine are: it gives better control of the general bacteria population in the distribution system; it doesn't decay quickly so there is disinfection residual throughout the system; there is no chlorine taste in the water. Since 1996 when the ozone facility was built, ozone has been used for pretreatment and chloramine has been used for post treatment, providing the required residual of disinfectant in the distribution system.

Your approval is requested to authorize the purchase of approximately 25 tons of anhydrous ammonia (NH₃) at \$1,440.00/ton from Tanner Industries. The estimated total cost for the purchase of the anhydrous ammonia is \$36,000.00/year.

In response to the City's bid no ITB-4043, the following bids were received:

Tanner Industries - \$1,440.00/ton

Airgas - \$1,480.00/ton

It is recommended that the resolution be approved to satisfy the Water Treatment Service Unit's requirement of anhydrous ammonia for FY10 from Tanner Industries as the lowest responsible bidder.

It is also recommended that the purchasing agreement be extended for up to three additional years at no increase in cost if the vendor is agreeable, and if the City deems it to be in its best interest.

In the event Tanner Industries is unable to furnish the chemical, it is requested that the City Administrator be authorized to accept the next lowest responsible bidder for the anhydrous ammonia purchase.

Purchases of anhydrous ammonia (NH₃) in FY10 and future extensions will be funded in the Operations and Maintenance Budget for the Water Supply System, if so approved by Council.

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 Service Unit uses anhydrous ammonia (NH₃) to maintain disinfection of drinking water in the distribution system;

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

Whereas, Of the bids received to supply NH3 per Bid No ITB-4043, Tanner Industries submitted the lowest bid; and

Whereas, Tanner Industries received Human Rights approval on June 18, 2009;

RESOLVED, That Council accept the Tanner Industries bid of \$1,440.00/ton for NH3 and freight in accordance with the terms of Bid No ITB-4043;

RESOLVED, That the City Administrator be directed to enter into a purchasing agreement in accordance with this resolution at a projected cost of approximately \$36,000.00 for FY10;

RESOLVED, That the agreement may be renewed by the City Administrator for up to three one-year periods provided both parties agree to the extension and subject to appropriation of the necessary funds for each extension;

RESOLVED, That the City Administrator be directed to accept the next lowest responsible bidder if Tanner Industries is unable to furnish adequate supplies;

RESOLVED, That the purchase of anhydrous ammonia in the estimated amount of \$36,000.00 be funded by the approved FY10 Operations and Maintenance Budget of the Water Supply System; and

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