



Legislation Text

File #: 16-0734, **Version:** 1

Resolution to Approve Purchase of Sodium Hypochlorite for Water Treatment Services from KA Steel (estimated \$107,083.00/yr)

Your approval is requested to authorize the purchase of sodium hypochlorite for the Water Treatment Services Unit. The Water Treatment Plant uses sodium hypochlorite to maintain disinfection of drinking water in the distribution system. The estimated cost of this chemical for FY17 is \$107,083.00/yr.

Bids were obtained through the 2016 Mid-Michigan Drinking Water Consortium Bulk Chemicals Bid. The Mid Michigan Consortium was formed in 2014 by utilities in the mid-Michigan area that soften drinking water with quicklime to address chemical supply quality, competitive pricing, and residual disposal. The Consortium members include: Lansing Board of Water and Light; City of Battle Creek; City of Jackson; City of Howell; City of Ann Arbor; City of Fenton; East Lansing Meridian Water & Sewer Authority; Plainfield Township; City of Owosso; Marion-Howell-Osceola-Genoa Water Authority; and Tri-County Regional Planning Commission.

The following bids for sodium hypochlorite were received:

KA Steel:	\$125.95/ton (wet)
JCI Jones Chemical:	\$130.00/ton (wet)
Alexander Chemical:	\$148.00/ton
PVS Nolwood:	\$150.00/ ton (wet)
Rowell Chemical:	\$182.94/ton

It is recommended that Council accept the bid and award a purchase order to KA Steel, as the lowest responsible bidder, to provide the Water Treatment Service Unit with sodium hypochlorite for FY17.

It is also recommended that the purchasing agreement may be renewed for three (3) additional one (1) year periods, provided that by 90 days prior to end of the contract both parties agree to an extension at no increase in cost if the vendor is agreeable and if the City deems it to be in its best interest.

Funds are specifically budgeted for this purchase in the approved FY17 Operations and Maintenance Budget for the Water Supply System Fund. Future contract years are subject to City Council's annual appropriation.

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

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

Whereas, The Water Treatment Services Unit uses sodium hypochlorite 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 the water treatment needs;

Whereas, of the bids received to supply sodium hypochlorite per the 2016 Mid-Michigan Drinking Water Consortium Bulk Chemicals Bid, KA Steel submitted the lowest responsible bid ; and

Whereas, KA Steel complies with the requirements of the Non-Discrimination Ordinance.

RESOLVED, That Council accepts KA Steel sodium hypochlorite bid of \$125.98/ton for the Water Treatment Services Unit in accordance with the terms of the 2016 Mid- Michigan Drinking Water Consortium Bulk Chemicals Bid;

RESOLVED, That the City Administrator be directed to enter into a purchasing agreement with KA Steel in accordance with this resolution at a projected cost of \$107,083.00 for FY17;

RESOLVED, That the City Administrator be authorized and directed to sign a purchase order with KA Steel for the purchase of sodium hypochlorite;

RESOLVED, That the City Administrator be authorized to renew the purchase order for up to three one-year periods providing 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 KA Steel is unable to furnish adequate supplies; and

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