



MEMORANDUM

To: Members of the Finance Committee

From: Rich Olson, City Manager
Joseph Pearce, Director of Public Utilities

Date: August 22, 2017

Subj: Award of FY 2017-2018 Chemical Purchase Contracts

BACKGROUND:

The City solicits bids annually for the purchase of chemicals used at the Water and Wastewater Treatment facilities. For fiscal year 2017-2018, chemical bids were received through the purchasing office.

ANALYSIS:

The following is a summary of the low bidders for chemicals. Attached is the Bid / Quote Summary as prepared by purchasing, which shows all of the bids received. **NOTE:** Hydrated Lime, Liquid Aluminum Sulfate, and Sodium Hexametaphosphate, Liquid Chlorine, and Liquid Carbon Dioxide vendors requested a contract extension at the FY 2016-17 prices.

Jones Chemicals, Milford, VA

Liquid Chlorine - \$800.00 / ton with 62 Tons Qty.

SNF Polydyne, Riceboro, GA

Liquid Polymer - \$2024 / 330 gal. IBC tote with 8 Qty.

Dry Polymer - \$79.75 / 55 lb. bag with 25 Qty.

Brenntag, Durham, NC

Liquid Sulfur Dioxide - \$ 97.50 / 150 lb. cylinder with 160 Qty.

Ammonium Hydroxide \$415.06 per wet ton with 24 wet tons Qty.

Hydrofluorosilicic Acid – \$163.30 with 40 Qty.

Lhoist North America, Ripplemead, VA

Contract extension proposed

Hydrated Lime - \$182.38 / ton with 1150 Tons Qty.

Geo Specialty, Little Rock, AR

Contract extension proposed

Liquid Aluminum Sulfate - \$330.00 / ton with 260 dry tons Qty.

Sterling Water Technologies, LLC, Columbia, TN

Contract extension proposed

Sodium Hexametaphosphate - \$62.22 per 50 lb. bag with 210 Qty.

AirGas Carbonics, Dallas, TX

Contract extension proposed

Liquid Carbon Dioxide - \$320.40 per ton with 25 tons Qty.

The following is an estimated breakdown of the chemicals used and the estimated cost for FY 2017-18 at both the Water and Wastewater Treatment facilities.

| Chemical | Units | Unit Cost | Water Plant | | Waste Water Plant | |
|--------------------------|------------------|-----------|---------------|---------------------|-------------------|--------------------|
| | | | Est. Quantity | Est. Cost | Est. Quantity | Est. Cost |
| Ammonium Hydroxide | Ton, Wet | \$415.06 | 24 | \$9,961.44 | | |
| Liquid Chlorine | Ton | \$800.00 | 32 | \$25,600.00 | 30 | \$24,000.00 |
| Liquid Carbon Dioxide | Ton | \$320.40 | 25 | \$8,010.00 | | |
| Sodium Hexametaphosphate | Bag (50lb) | \$62.22 | 210 | \$13,066.20 | | |
| Liquid Aluminum Sulfate | Ton, dry | \$330.00 | 260 | \$85,800.00 | | |
| Dry Polymer | Bag (55lb) | \$79.75 | 25 | \$1993.75 | | |
| Hydrofluorosilicic Acid | Drum (550lb) | \$163.30 | 40 | \$6,532.00 | | |
| Hydrated Lime | Ton | \$182.38 | 950 | \$173,261.00 | 200 | \$36,476.00 |
| Liquid Polymer | 330 gal. tote | \$2024.00 | | | 8 | \$16,192.00 |
| Liquid Sulfur Dioxide | 150 lb. cylinder | \$97.50 | | | 160 | \$15,600.00 |
| | | | | | | |
| | | | | | | |
| Totals: | | | | \$324,224.39 | | \$92,268.00 |

The City Council budgeted \$354,600 in Water Treatment and \$102,500 in Wastewater Treatment for chemicals in the FY 2017-2018 budget. City staff anticipates spending less than what we had initially budgeted for in each fund.

STAFF RECOMMENDATION:

By motion, recommend awarding chemical purchases to the low bidders for the chemicals used at the Water and Wastewater Treatment Facilities, as follows:

Lhoist North America, Ripplemead, VA

Water Treatment Facility – \$173,261.

Wastewater Treatment Facility – \$36,476.

Geo Specialty, Little Rock, AR

Water Treatment Facility – \$85,800.

Sterling Water Technologies, Columbia, TN

Water Treatment Facility – \$13,066.20

Jones Chemicals, Milford, VA

Water Treatment Facility - \$25,600.

Wastewater Treatment Facility - \$24,000.

AirGas Carbonics, Dallas, TX

Water Treatment Facility - \$8,010.

SNF Polydyne, Riceboro, GA

Water Treatment Facility – \$1,993.75

Wastewater Treatment Facility – \$16,192.

Brenntag, Durham, NC

Water Treatment Facility – \$16,493.44

Wastewater Treatment Facility - \$15,600.00

Water Treatment Facility Total = \$324,224.39

Waste Water Treatment Facility Total = \$92,268.00