

**EVALUATION OF BID
PROPOSALS**

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FOR: Requirements Contract for Bulk Aluminum Sulfate

Bid File No. 9478
Bid Opening: 10/23/18

| BIDDERS | TOTAL NET BID AMOUNT |
|---|------------------------------------|
| 1. Chemtrade Chemicals, US, LLC 90 East Halsey Road Parsippany, NJ 07054 | \$1,204,500.00 |
| 2. Thatcher Company of California, Inc. 8625 Unsworth Avenue Sacramento, CA 95828 | \$1,277,500.00 (non-responsive) |

NOTE: Second bidder is non-responsive due to taking exception to the indemnification language in the terms and conditions.

Each bidder has agreed to allow the City ninety (90) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Monday, November 19, 2018 by 5:00 P.M.

The current contract pricing is 18% above the previous contract pricing. If the overage is greater than 10% or only one bid was received, give explanation:

Costs for chemicals, fuel, and labor have increased within the industry since this product was last put out to bid. Aluminum sulfate is required for treatment of surface water. The current pricing is \$0.1395/dry weight lbs. and the lowest bidder price is \$0.165/dry weight lbs. The total pounds for the year was estimated using a maximum alum dose for the three surface water treatment plants at maximum flow through the plants. The bid amount accounts for a maximum of aluminum sulfate used at worst case scenario.

BACKGROUND OF PROJECT (To be completed by Evaluating Department/Division. Explain need for project/equipment): Aluminum Sulfate is used as a coagulating agent at the three surface water treatment plants as the first step in the purification of raw water in order to meet the State of California's drinking water requirements. When added to water, it causes suspended microscopic impurities to clump together into larger particles. These clumps of impurities will then settle to the bottom of the container to be filtered out more easily.

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☒ Award a contract in the amount of \$1,204,500.00 to Chemtrade Chemicals, US, LLC., as the lowest responsive and responsible bidder.

☐ Reject all bids. Reason:

Bud Tickle

 Bud Tickle
 Assistant Director

 Date 11-29-18

☒ Approve Dept. Recommendation ☒ Approve Finance/Purchasing Recommendation
☐ Disapprove ☐ Disapprove
☐ See Attachment

FINANCE DEPARTMENT

msperal 11/30/2018
Purchasing Manager Date

Michael Fried 11/30/18
Finance Director Date

CITY MANAGER

City Manager or Designee 11/30/18 Date

FISCAL IMPACT STATEMENT

PROGRAM: REQUIREMENTS CONTACT FOR BULK ALUMINUM SULFATE-
NESWTF, SESWTF & T3

| <u>RECOMMENDATION</u> | <u>TOTAL OR CURRENT</u> | <u>ANNUALIZED COST</u> |
|---|-----------------------------|----------------------------|
| Direct Cost | <u>\$495,000*</u> | <u>\$742,500</u> |
| Indirect Cost | <u>-0-</u> | <u>-0-</u> |
| TOTAL COST | <u>\$495,000</u> | <u>\$742,500</u> |
| Additional Revenue or Savings Generated | <u>-0-</u> | <u>-0-</u> |
| Net City Cost | \$495,000 | \$742,500 |
| Amount Budgeted (If none budgeted, identify source) | \$495,000** | \$750,000 |

NOTE:

*--Assumes eight (8) months of purchases.

**--\$464,000 original budget less \$82,100 YTD equals \$379,000. Additional \$115,100 will be covered through projected savings in utilities.

\$379,900
\$115,100