



Legislation Details (With Text)

File #: ID19-1226 **Version:** 1 **Name:**
Type: Action Item **Status:** Passed
File created: 2/8/2019 **In control:** City Council
On agenda: 2/28/2019 **Final action:** 2/28/2019
Title: Actions pertaining to award of a contract for the purchase and delivery of Bulk Calcium Hydroxide:
1. RESOLUTION - Declaring an urgent necessity for the preservation of life, health, property and authorizing the Purchasing Manager of the Finance Department or designee to contract with Univar USA, Inc., for the purchase and delivery of Bulk Calcium Hydroxide (Requires 5 votes)
2. Award a contract to Univar USA, Inc., in an amount not to exceed \$400,000
Sponsors: Department of Public Utilities

Indexes:

Code sections:

Attachments: 1. Resolution - Calcium Hydroxide.pdf

Date	Ver.	Action By	Action	Result
2/28/2019	1	City Council	adopted	

REPORT TO THE CITY COUNCIL

February 28, 2019

FROM: MICHAEL CARBAJAL, Director
Department of Public Utilities

THROUGH: BUD TICKEL, Assistant Director
Department of Public Utilities, Water Division

BY: HENRY McLAUGHLIN, Business Manager
Department of Public Utilities, Water Division

SUBJECT

Actions pertaining to award of a contract for the purchase and delivery of Bulk Calcium Hydroxide:
1. RESOLUTION - Declaring an urgent necessity for the preservation of life, health, property and authorizing the Purchasing Manager of the Finance Department or designee to contract with Univar USA, Inc., for the purchase and delivery of Bulk Calcium Hydroxide (Requires 5 votes)
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RECOMMENDATION

Staff recommends that the City Council award a contract to Univar USA, Inc., for the purchase and delivery of Bulk Calcium Hydroxide used for surface water treatment and authorize the Purchasing

Manager or designee to execute a contract in an amount not to exceed \$400,000.

EXECUTIVE SUMMARY

Bulk Calcium Hydroxide is used in the post-treatment process at the Northeast (NESWTF) and Southeast (SESWWF) treatment facilities for corrosion control in the distribution system. In May 2018, the Department of Public Utilities, Water Division, received two bids to establish a requirements contract for this chemical. After they were opened, both bidders then took exceptions that were either material in terms or would materially alter the terms of the contract resulting in their bids being considered non-responsive. On September 27, 2018, City Council approved staff's recommendation to reject all bids. Efforts to rebid this contract have been delayed while deliveries have continued to support the operation of the NESWTF and SESWTF. Award of this contract will allow for purchase and delivery of Bulk Calcium Hydroxide for the continued operation of the treatment facilities to ensure the health and safety of the community.

BACKGROUND

The Water Division injects Calcium Hydroxide as part of the treatment of raw surface water at the NESWTF and SESWTF. It is considered to be an effective chemical for treatment of the City of Fresno's water supply by conditioning raw water and enhancing the chemical reaction with the primary coagulant, thereby facilitating more effective cleansing of the water. It also adjusts the pH of the treated water entering the water distribution system and ultimately the end-users' facilities (homes and businesses, etc.), thereby controlling the corrosive quality of the treated water on water mains, pipes and other appurtenances.

A Notice Inviting Bids was published on April 23, 2018, per the City of Fresno Charter Section 1208. Ten Building Exchanges were faxed Notice Inviting Bids, and 15 specifications were distributed to prospective bidders. The bid opening was on May 22, 2018, and two bids were received ranging from \$1,428,995.14 to \$1,839,947.98. During bid evaluation, both bidders took exceptions taken after the bids were going to be awarded. These exceptions were either material in terms or would materially alter the terms of the contract and therefore the bids were considered to be non-responsive. On September 27, 2018, City Council approved staff's recommendation to reject all bids.

Successful rebid this contract has been prolonged and with the operation of the new SESWTF, currently rated at 54 million gallons per day, the usage of Bulk Calcium Hydroxide has significantly increased. The continued operation of this surface water treatment facility, as well as the NESWTF, is essential for the health and safety of the community to provide reliable, safe, clean drinking water.

Invoiced amounts for purchases of Bulk Calcium Hydroxide during FY 2019 total \$607,000 which has exceeded the formal bid limit of \$138,000 as codified the City of Fresno Charter Section 1208. Approval of the resolution will allow the Purchasing Manager or designee to execute a contract providing for the purchase and delivery of Bulk Calcium Hydroxide in an amount not to exceed \$400,000, subject to prior approval as to form by the City Attorney's Office. Staff will return to City Council within 180 days with a recommendation to award a requirements contract for the purchases up to three years.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act Guidelines Section 15378, the

award of this contract does not qualify as a “project”.

LOCAL PREFERENCE

Local preference was not implemented because this item is a sole source purchase.

FISCAL IMPACT

The General Fund is not impacted by this citywide expenditure, as the appropriations for the purchase of Bulk Calcium Hydroxide are included in FY 2019 Water Enterprise Fund operating budget.

Attachment: Resolution