



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

20

2. Council Meeting Date:

March 22, 2012

TO: MAYOR & COUNCIL

3. Date Prepared: March 12, 2012

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities/Community Svcs.

5. SUBJECT: Amendment 1 to extend Agreement #MU1-885-2936 for the purchase of water treatment, wastewater treatment and swimming pool chemicals with General Chemical, Univar (formerly Basic Chemical), Brenntag Pacific, Cal-Pacific, F2 Industries, DPC Enterprises, Polydyne, Thatcher Company, Hill Brothers, Commercial Pool Repair, A&M Corsons and Applied Products Group in an amount not to exceed \$4,007,322.

6. RECOMMENDATION: Recommend approving Amendment 1 to extend Agreement #MU1-885-2936 for the purchase of water treatment, wastewater treatment and swimming pool chemicals with General Chemical, Univar, Brenntag Pacific, Cal-Pacific, F2 Industries, DPC Enterprises, Polydyne, Thatcher Company, Hill Brothers, Commercial Pool Repair, A&M Corsons and Applied Products Group in an amount not to exceed \$4,007,322.

7. HISTORICAL BACKGROUND/DISCUSSION: Municipal Utilities uses this contract for water, wastewater, reverse osmosis and well systems treatment chemicals and Community Services uses it for pool chemicals. Chandler cooperatively advertised for public agencies using water treatment chemicals allowing the City to take advantage of combined quantity discounts. The participating agencies include Chandler, Tempe, Glendale, Queen Creek, Superstition Mountains Community Facilities District, Gilbert, Mesa, Tolleson Union High School District, El Mirage, Yuma and Oro Valley. Chandler uses 26 of the 48 items that were bid. The remaining items will be used by the other participating agencies.

8. EVALUATION PROCESS: In March 2011, Council awarded one-year agreements for water treatment, wastewater treatment and swimming pool chemicals to be used by Chandler as well as other participating agencies to take advantage of combined quantity discounts. The agreements have provisions to extend for four additional one-year periods. The contractors have agreed to extend the agreements for the first year with some minor price adjustments due to price increases of raw materials used in the manufacturing processes of some of these chemicals. The price increases affect only five of the items Chandler uses and are mainly due to increases in the caustic soda market. Western Region pricing (CMAI Market Report) went from \$395/dry short ton in January 2011 to \$585/dry short ton in January 2012. This is almost a 50% increase in the raw material cost.

The overall price increase to the contract is \$163,359, of which caustic soda is responsible for \$156,319. This 16% caustic soda increase results in approximately a 4% increase to the overall contract.

9. FINANCIAL IMPLICATIONS:

Costs: \$4,007,322

Savings: N/A

Long Term Costs: N/A

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Funds:</u>
101.4520.5318.0.0	General, Aquatics	Chemicals	No	\$ 280,000
605.3830.5318.0.0	Water Operating, Water Treatment	Chemicals	No	\$1,712,322
605.3860.5318.0.0	Water Operating, Water Production	Chemicals	No	\$ 275,000
615.3940.5318.0.0	WW Operating, WW Treatment	Chemicals	No	\$ 600,000
615.3960.5318.0.0	WW Operating, Airport WRF	Chemicals	No	\$ 900,000
615.3970.5318.0.0	WW Operating, Ocotillo WRF	Chemicals	No	\$ 40,000
616.3930.5318.0.0	WW Ind. Treatment, Reverse Osmosis	Chemicals	No	\$ 200,000
Total				\$4,007,322

10. PROPOSED MOTION: Move to approve Amendment #1 to extend Agreement #MU1-885-2936 for the purchase of water treatment, wastewater treatment, and swimming pool chemicals with General Chemical, Univar, Brenntag Pacific, Cal-Pacific, F2 Industries, DPC Enterprises, Polydyne, Thatcher Company, Hill Brothers, Commercial Pool Repair, A&M Corsons and Applied Products Group in an amount not to exceed \$4,007,322.

APPROVALS

11. Requesting Department

Victoria Sharp
Victoria Sharp, Water Operations Superintendent

13. Department Head

Dave Siegel
Dave Siegel, Municipal Utilities Director

12. Procurement Officer

Carolee Stees
Carolee Stees, CPPB

14. City Manager

Rich Dlugas
Rich Dlugas

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
GENERAL CHEMICAL PERFORMANCE PRODUCTS LLC
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement Between the City Of Chandler (CITY) and GENERAL CHEMICAL PERFORMANCE PRODUCTS LLC (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this _____ day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

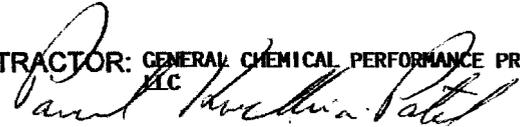
1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR: GENERAL CHEMICAL PERFORMANCE PRODUCTS LLC

By: 
Title: PARUL KACHHIA-PATEL, MARKETING SPECIALIST

APPROVED AS TO FORM:

City Attorney 

ATTEST:

City Clerk

ATTEST: (If corporation)


~~SECRETARY~~ SABINE SIMON, MARKETING SPECIALIST

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
UNIVAR USA, INC. (FORMERLY BASIC CHEMICAL SOLUTIONS)
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement between the City of Chandler (CITY) and UNIVAR USA, INC. (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this 6th day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. The unit prices are payable as set forth in Amended Exhibit B attached.
3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

6th IN WITNESS WHEREOF, the parties have hereunto subscribed their names this day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: Ed M. Pura
Title: Municipal Specialist

APPROVED AS TO FORM:

City Attorney [Signature]

ATTEST:

City Clerk _____

ATTEST: (If corporation)

Secretary _____

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
BRENNTAG PACIFIC
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement Between the City Of Chandler (CITY) and BRENNTAG PACIFIC (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this 6th day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

6th IN WITNESS WHEREOF, the parties have hereunto subscribed their names this day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: Kate A.
Title: District Manager

APPROVED AS TO FORM:

City Attorney [Signature]

ATTEST: (If corporation)

ATTEST:

City Clerk

Secretary

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
CAL-PACIFIC CARBON, LLC
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement Between the City Of Chandler (CITY) and CAL-PACIFIC CARBON, LLC (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this 6th day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: 
Title: General Manager

APPROVED AS TO FORM:

City Attorney 

ATTEST: (If corporation)

ATTEST:

City Clerk

Secretary

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
F2 INDUSTRIES, LLC
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement between the City Of Chandler (CITY) and F2 INDUSTRIES, LLC (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this _____ day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

F2 Industries, LLC

CONTRACTOR:
By: William J. Lee
Title: Partner

APPROVED AS TO FORM:

City Attorney *[Signature]*

ATTEST:

City Clerk

ATTEST: (if corporation)

Kimberly Nee
Secretary

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
DPC ENTERPRISES, LP
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement Between the City Of Chandler (CITY) and DPC ENTERPRISES, LP (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this ____ day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this ____ day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: *[Signature]*
Title: *President DPC ENTERPRISES, Inc*
it's General Partner

APPROVED AS TO FORM:

City Attorney *[Signature]*

ATTEST:

City Clerk

ATTEST: (If corporation)

[Signature]
Asst Secretary, DPC ENTERPRISES, INC
its General Partner

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
POLYDYNE, INC.
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement Between the City Of Chandler (CITY) and POLYDYNE, INC. (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this _____ day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: Lawrence D. Grizzle
Title: Lawrence D. Grizzle, Business Manager

APPROVED AS TO FORM:

City Attorney [Signature]

ATTEST:

City Clerk

ATTEST: (If corporation)

[Signature]
Assistant-Secretary
Mark Schlag

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
THATCHER COMPANY OF ARIZONA
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement between the City of Chandler (CITY) and THATCHER COMPANY OF ARIZONA (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this 7th day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. The unit prices are payable as set forth in Amended Exhibit B attached.
3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 7th day of March, 2012.

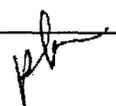
CITY OF CHANDLER:

By: _____
Mayor

THATCHER COMPANY OF ARIZONA
CONTRACTOR:

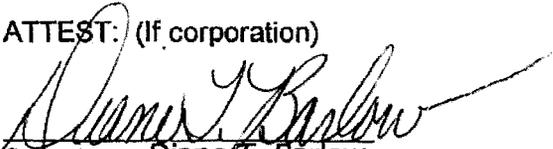
By: 
Title: Craig N. Thatcher, President

APPROVED AS TO FORM:

City Attorney 

ATTEST:

City Clerk

ATTEST: (If corporation)

Secretary Diane T. Barlow

WITNESS: (If individual or
Partnership)

[SEAL]

**EXHIBIT B
PRICING**

ITEM	CHEMICAL	UOM	ESTIMATED QTY.	UNIT PRICE	EXTENDED PRICE
5	Sodium Bisulfite	gal		\$ 2.00	\$
	Manufacturer: Thatcher Company				
	Product #: 1900301				
	Packaging as delivered: Drums only				
16	Sodium Chlorite	gal		\$ 5.124	\$
	Manufacturer: SDA Chemicals				
	Product #: 1900390				
	Packaging as delivered				
17	Fluorosilicic Acid (Liquid Flouride)	gal	25,000	\$ 4.24	\$ 106,000.00
	Manufacturer: LCI, Ltd.				
	Product #: 0800714				
	Packaging as delivered:				
26	3" Calcium Hypochlorite Tablets Antiscalant	lb	27,000	\$ 1.80	\$ 48,600.00
	Manufacturer: ECR				
	Product #: 0301614				
	Packaging as delivered: 55-pound pails				
42	Soda Ash	lb	1,500	\$.2317	\$ 347.55
	Manufacturer: General Chemical				
	Product #: 1902202				
	Packaging as delivered: 50-pound bags				

Note: Estimated quantities shown are for Chandler only.

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
HILL BROTHERS CHEMICAL COMPANY
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement between the City of Chandler (CITY) and HILL BROTHERS CHEMICAL COMPANY (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this 7 day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. The unit prices are payable as set forth in Amended Exhibit B attached.
3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

7 IN WITNESS WHEREOF, the parties have hereunto subscribed their names this day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: _____
Title: As Division Manager
Date: March 7, 2012

APPROVED AS TO FORM:

City Attorney plm

ATTEST:

City Clerk

ATTEST: (If corporation)

Robert A. Burgess
Secretary

WITNESS: (If individual or Partnership)

[SEAL]

**EXHIBIT B
PRICING**

ITEM	CHEMICAL	UOM	ESTIMATED QTY.	UNIT PRICE	EXTENDED PRICE
19	Sodium Hypochlorite (Bleach 12.5%)	gal	1,290,200	\$.895	\$1,154,729.00
	Manufacturer: Hill Brothers Chemical Co.				
	Product #: CC17000MO				
	Packaging as delivered: Bulk			OR	
	Packaging as delivered: 50-gal Drums/275-gal Totes			\$ 1.15	
31	Sodium Bisulfate	lb		\$.61	\$
	Manufacturer: China				
	Product #: CS06000NO				
	Packaging as delivered: 50-lb bags				
35	Magnesium Hydroxide	lb		\$.26	\$
	Manufacturer: Hill Brothers Chemical Co.				
	Product #: CM04466LO				
	Packaging as delivered: 595-lb drums				
38	Hydrochloric Acid (Muriatic Acid)	gal	24,300	\$ 1.28	\$ 31,104.00
	Manufacturer: Bayer				
	Product #: CM15000GO				
	Packaging as delivered: Bulk			OR	
	Packaging as delivered: 500-lb Drums			\$1.58	
44	Sulfuric Acid	gal	40,000	\$ 1.95	\$ 78,000.00
	Manufacturer: Asarco				
	Product #: CS1800LO				
	Packaging as delivered: 600-lb Drums				

Note: Estimated quantities shown are for Chandler only.

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
WATERNUTS AQUATIC ENTERPRISES, INC. DBA COMMERCIAL POOL REPAIR
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement Between the City Of Chandler (CITY) and COMMERCIAL POOL REPAIR (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this 6th day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

6th IN WITNESS WHEREOF, the parties have hereunto subscribed their names this day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR

By: [Signature]
Title: Vice President

APPROVED AS TO FORM:

City Attorney [Signature]

ATTEST:

City Clerk

ATTEST: (If corporation)

[Signature]
Secretary

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
A&M CORSON'S AQUAVALUE POOL SUPPLY
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement between the City Of Chandler (CITY) and A&M CORSON'S AQUAVALUE POOL SUPPLY (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this ____ day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. The unit prices are payable as set forth in the Amended Exhibit B attached.
3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this ____ day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: *Gregory J. Boyd*
Title: owner / member

APPROVED AS TO FORM:

City Attorney *[Signature]*

ATTEST: (If corporation)

ATTEST:

City Clerk

Secretary

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
APPLIED PRODUCTS GROUP LLC
FOR
AGREEMENT NO. MU1-885-2936

This Amendment #1 to that certain Agreement Between the City Of Chandler (CITY) and APPLIED PRODUCTS GROUP LLC (CONTRACTOR) for water/wastewater treatment and pool chemicals dated March 11, 2011 and is entered into this 7th day of March, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, March 15, 2012 through March 14, 2013.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of March, 2012.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: [Signature] 3-7-12
Title: President, Applied Products Group

APPROVED AS TO FORM:

City Attorney [Signature]

ATTEST:

City Clerk

ATTEST: (If corporation)

[Signature] 3-7-12
Secretary

WITNESS: (If individual or Partnership)

[SEAL]