



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. MUA16-063**

1. Agenda Item Number:

10

2. Council Meeting Date:
March 31, 2016

TO: MAYOR AND COUNCIL

3. Date Prepared: March 16, 2016

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Amendments to Agreement No. MU4-885-3350 for the Purchase of Water Treatment, Wastewater Treatment, and Swimming Pool Chemicals

6. RECOMMENDATION: Staff recommends City Council approve Amendments to Agreement No. MU4-885-3350, with BASF Corporation in an amount not to exceed \$780,750; Brentag Pacific, Inc., in an amount not to exceed \$2,373,942.75; Charlie Pepper, Inc., in an amount not to exceed \$131,000; Chemtrade Chemicals US, LLC, in an amount not to exceed \$347,800; Hill Brothers Chemical in an amount not to exceed \$1,259,396.40; Kemira Water Solutions, Inc., in an amount not to exceed \$601,920; Polydyne, Inc., in an amount not to exceed \$102,478; Univar USA, Inc., in amount not to exceed \$228,690; and Waternuts Aquatic Ent, Inc., dba Commercial Pool Repair in an amount not to exceed \$172,200, for the purchase of water treatment, wastewater treatment, and swimming pool chemicals, for a one-year term, for a grand total amount not to exceed \$5,998,177.15.

7. BACKGROUND/DISCUSSION: This agreement will be used to purchase water treatment, wastewater treatment, and swimming pool chemicals. The Municipal Utilities Department will use this agreement for water, wastewater, reverse osmosis, and well systems treatment. The Community & Neighborhood Services Department will use this agreement for swimming pool chemicals. Chemicals used by the Ocotillo Brine Reduction Facility (OBRF) are paid for by Intel.

Agreement No. MU5-885-3526, with Chemrite, Inc., Evoqua Water Technologies, LLC, Hill Brothers Chemical Co., Polydyne, Inc., and Thatcher Chemical Company of Arizona, Inc., is a supplement to this agreement. Amendment No. 1 to extend Agreement No. MU5-885-3526 is also scheduled for this City Council meeting.

8. EVALUATION PROCESS: On June 26, 2014, City Council awarded Agreement No. MU4-885-3350 for the purchase of water treatment, wastewater treatment, and swimming pool chemicals to BASF Corporation, Brentag Pacific, Inc., Charlie Pepper, Inc., Chemtrade Chemicals US, LLC, Hill Brothers Chemical, Kemira Water Solutions, Inc., Polydyne, Inc., Univar USA, Inc., and Waternuts Aquatic Ent, Inc., dba Commercial Pool Repair, for the term of July 1, 2014, through June 30, 2015, with the option of four (4) additional one-year extensions.

With the exception of one line item, Sodium Chlorite, purchased through Charlie Pepper, Inc., all of the vendors have agreed to extend the agreement for one (1) additional year at the same terms, conditions, and pricing. The increase for Sodium Chlorite is based on raw material price increases. The overall effect of the price increase is less than 1%. The term of these amendments is from July 1, 2016, through June 30, 2017. This is the second extension of the original agreement.

9. FINANCIAL IMPLICATIONS:

Costs: \$5,998,177.15
Savings: N/A
Long Term Costs: N/A

Fund Source:

<u>Account No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
101.4520.0000.5318	General, Aquatics	Chemicals	No	\$ 207,798.00
605.3830.0000.5318	Water Operating, Water Treatment	Chemicals	No	\$ 1,288,449.88
605.3860.0000.5318	Water Operating, Water Production	Chemicals	No	\$ 1,007.40
615.3940.0000.5318	WW Operating, WW Treatment	Chemicals	No	\$ 299,000.00
615.3960.0000.5318	WW Operating, Airport WRF	Chemicals	No	\$ 905,640.00
615.3970.0000.5318	WW Operating, Ocotillo WRF	Chemicals	No	\$ 237,046.87
616.3930.0000.5318	WW Ind. Treatment, OBRF	Chemicals	No	\$ 3,059,235.00
Total:				\$ 5,998,177.15

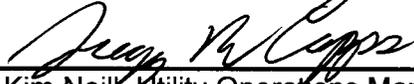
10. PROPOSED MOTION: Move City Council approve Amendments to Agreement No. MU4-885-3350, with BASF Corporation in an amount not to exceed \$780,750; Brentag Pacific, Inc., in an amount not to exceed \$2,373,942.75; Charlie Pepper, Inc., in an amount not to exceed \$131,000; Chemtrade Chemicals US, LLC, in an amount not to exceed \$347,800; Hill Brothers Chemical in an amount not to exceed \$1,259,396.40; Kemira

Water Solutions, Inc., in an amount not to exceed \$601,920; Polydyne, Inc., in an amount not to exceed \$102,478; Univar USA, Inc., in amount not to exceed \$228,690; and Waternuts Aquatic Ent, Inc., dba Commercial Pool Repair in an amount not to exceed \$172,200, for the purchase of water treatment, wastewater treatment, and swimming pool chemicals, for a one-year term, for a grand total amount not to exceed \$5,998,177.15.

Attachments: Amendments

APPROVALS

11. Requesting Department

 For
Kim Neill, Utility Operations Manager

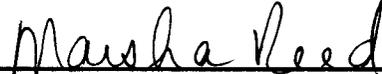
13. Department Head


Gregg Capps, Acting Municipal Utilities Director

12. Procurement Officer


Mike Maridt, CPPB

14. Acting City Manager


Marsha Reed

AMENDMENT NUMBER TWO
TO CONTRACT BETWEEN THE CITY OF CHANDLER
AND
BASF CORPORATION
FOR WATER TREATMENT AND POOL CHEMICALS
CONTRACT NO. MU4-885-3350

This Amendment No. Two to that certain Contract Between the City of Chandler (City) and BASF Corporation (Contractor) for Water Treatment and Pool Chemicals dated, September 26, 2014 and amended April 22, 2015 is entered into this ____ day of _____, 2016.

WHEREAS, the parties entered into contract for one year with provisions to extend up to four additional periods of one year and the parties have agreed to extend the contract for the second year.

NOW THEREFORE, the parties agree as follows:

1. Section 6 Term, this Contract is extended for a one-year period, July 1, 2016 through, June 30 2017.
2. Section 5 Price, CITY shall pay to CONTRACTOR an amount not to exceed Seven Hundred Eighty Thousand Seven Hundred Fifty Dollars (\$780,750) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Revised Exhibit B, attached to Amendment 1 and incorporated herein by reference.
3. All other terms and conditions of the above referenced Contract as amended shall remain unchanged and in full force and effect. All terms and conditions in the original Contract 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 _____, 2016.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: Raahul Sathyanarayana
Title: Marketing Manager

APPROVED AS TO FORM:

City Attorney [Signature]

ATTEST: _____

City Clerk _____

ATTEST: (If corporation)

Patricia B Kay
Secretary

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER TWO
TO CONTRACT BETWEEN THE CITY OF CHANDLER
AND
BRENTAG PACIFIC, INC.
FOR WATER TREATMENT AND POOL CHEMICALS
CONTRACT NO. MU4-885-3350

This Amendment No. Two to that certain Contract between the City of Chandler (City) and Brentag Pacific, Inc. (Contractor) for Water Treatment and Pool Chemicals dated, September 26, 2014 and amended June 12, 2015 is entered into this ____ day of _____, 2016.

WHEREAS, the parties entered into contract for one year with provisions to extend up to four additional periods of one year, and the parties have agreed to extend the contract for the second year;

NOW THEREFORE, the parties agree as follows:

1. Section 6 Term, this Contract is extended for a one-year period, July 1, 2016 through, June 30 2017.
2. Section 5 Price. CITY shall pay to CONTRACTOR an amount not to exceed two million three hundred and seventy three thousand nine hundred forty two dollars and seventy five cents (\$2,373,942.75) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit B, attached to original agreement and incorporated herein by reference.
3. All other terms and conditions of the above referenced Contract as amended shall remain unchanged and in full force and effect. All terms and conditions in the original Contract 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 _____, 2016.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: _____
Title: _____

APPROVED AS TO FORM:

City Attorney

ATTEST: (If corporation)

Secretary

ATTEST:

City Clerk

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER TWO
TO CONTRACT BETWEEN THE CITY OF CHANDLER
AND
CHARLIE PEPPER, INC.
FOR WATER TREATMENT AND POOL CHEMICALS
CONTRACT NO. MU4-885-3350

This Amendment No. Two to that certain Contract between the City of Chandler (City) and Charlie Pepper, Inc. (Contractor) for Water Treatment and Pool Chemicals dated, September 26, 2014 and amended June 12, 2015 is entered into this ____ day of _____, 2016.

WHEREAS, the parties entered into contract for one year with provisions to extend up to four additional periods of one year, and the parties have agreed to extend the contract for the second year;

NOW THEREFORE, the parties agree as follows:

1. Section 6 Term, this Contract is extended for a one-year period, July 1, 2016 through, June 30 2017.
2. Section 5 Price. CITY shall pay to CONTRACTOR an amount not to exceed one hundred and thirty one thousand dollars (\$131,000) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Revised Exhibit B (revision 2) attached herewith and incorporated by reference.
3. All other terms and conditions of the above referenced Contract as amended shall remain unchanged and in full force and effect. All terms and conditions in the original Contract 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 _____, 2016.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: 
Title: CEO

APPROVED AS TO FORM:

City Attorney

ATTEST: (If corporation)

ATTEST:

Secretary

City Clerk

WITNESS: (If individual or Partnership)

[SEAL]

**REVISED EXHIBIT B (revision 2)
PRICING**

ITEM	CHEMICAL	UOM	UNIT PRICE
13	Sodium Chloride (Coarse salt)	Ton	\$131.00
	Manufacturer: Morton Salt		
	Product #: Coarse Salt NSF		
	Packaging as delivered: Bulk		

AMENDMENT NUMBER TWO
TO CONTRACT BETWEEN THE CITY OF CHANDLER
AND
CHEMTRADE CHEMICALS US, LLC
FOR WATER TREATMENT AND POOL CHEMICALS
CONTRACT NO. MU4-885-3350

This Amendment Two to that certain Contract between the City of Chandler (City) and Chemtrade Chemicals US, LLC (Contractor) for Water Treatment and Pool Chemicals dated, September 26, 2014 and amended June 12, 2015 is entered into this ____ day of _____, 2016.

WHEREAS, the parties entered into contract for one year with provisions to extend up to four additional periods of one year, and the parties have agreed to extend the contract for the second year;

NOW THEREFORE, the parties agree as follows:

1. Section 6. Term, this Contract is extended for a one-year period, July 1, 2016 through, June 30 2017.
2. Section 5 Price. CITY shall pay to CONTRACTOR an amount not to exceed three hundred forty seven thousand eight hundred dollars (\$347,800) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit B, attached to original agreement and incorporated herein by reference.
3. All other terms and conditions of the above referenced Contract as amended shall remain unchanged and in full force and effect. All terms and conditions in the original Contract 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 _____, 2016.

CITY OF CHANDLER:

By: _____
Mayor

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

CONTRACTOR:

By: Elizabeth Ryno
Title: MARKETING SPECIALIST
ELIZABETH RYNO

ATTEST. (If corporation)

Parul Kachhia-Patel
~~SECRETARY~~ PARUL KACHHIA-PATEL
MARKETING SPECIALIST

WITNESS: (If individual or Partnership)

SEAL

AMENDMENT NUMBER TWO
TO CONTRACT BETWEEN THE CITY OF CHANDLER
AND
HILL BROTHERS CHEMICAL
FOR WATER TREATMENT AND POOL CHEMICALS
CONTRACT NO. MU4-885-3350

This Amendment Two to that certain Contract between the City of Chandler (City) and Hill Brothers Chemical (Contractor) for Water Treatment and Pool Chemicals dated, September 26, 2014 and amended June 12, 2015 is entered into this ____ day of _____, 2016.

WHEREAS, the parties entered into contract for one year with provisions to extend up to four additional periods of one year, and the parties have agreed to extend the contract for the second year;

NOW THEREFORE, the parties agree as follows:

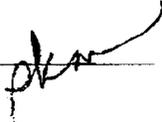
1. Section 6 Term. This Contract is extended for a one-year period, July 1, 2016 through, June 30 2017.
2. Section 5 Price. CITY shall pay to CONTRACTOR an amount not to exceed one million two hundred fifty nine thousand three hundred ninety six dollars and forty cents (\$1,259,396.40) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit B, attached to original agreement and incorporated herein by reference.
3. All other terms and conditions of the above referenced Contract as amended shall remain unchanged and in full force and effect. All terms and conditions in the original Contract 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 _____, 2016.

CITY OF CHANDLER:

By: _____
Mayor

APPROVED AS TO FORM:

City Attorney 

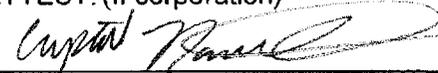
ATTEST:

City Clerk

CONTRACTOR:

By: 
Title: Regional Sales Manager

ATTEST: (If corporation)


Secretary

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER TWO
TO CONTRACT BETWEEN THE CITY OF CHANDLER
AND
KEMIRA WATER SOLUTIONS, INC.
FOR WATER TREATMENT AND POOL CHEMICALS
CONTRACT NO. MU4-885-3350

This Amendment Two to that certain Contract between the City of Chandler (City) and Kemira Water Solutions, Inc. (Contractor) for Water Treatment and Pool Chemicals dated, September 26, 2014 and amended June 12, 2015 is entered into this ____ day of _____, 2016.

WHEREAS, the parties entered into contract for one year with provisions to extend up to four additional periods of one year, and the parties have agreed to extend the contract for the second year;

NOW THEREFORE, the parties agree as follows:

1. Section 6 Term. This Contract is extended for a one-year period, July 1, 2016 through, June 30 2017.
2. Section 5 Price. CITY shall pay to CONTRACTOR an amount not to exceed six hundred one thousand nine hundred and twenty dollars (\$601,920) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit B, attached to original agreement and incorporated herein by reference.
3. All other terms and conditions of the above referenced Contract as amended shall remain unchanged and in full force and effect. All terms and conditions in the original Contract 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 _____, 2016.

CITY OF CHANDLER:

By: _____
Mayor

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

CONTRACTOR:

By: _____
Title: Customer Service Manager

ATTEST: (If corporation)

Secretary

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER THREE
TO CONTRACT BETWEEN THE CITY OF CHANDLER
AND
POLYDYNE, INC.
FOR WATER TREATMENT AND POOL CHEMICALS
CONTRACT NO. MU4-885-3350

This Amendment Three to that certain Contract between the City of Chandler (City) and Polydyne Inc. (Contractor) for Water Treatment and Pool Chemicals dated, September 26, 2014 amended February 19, 2015 and June 24, 2015 is entered into this ____ day of _____, 2016.

WHEREAS, the parties entered into contract for one year with provisions to extend up to four additional periods of one year, and the parties have agreed to extend the contract for the second year;

NOW THEREFORE, the parties agree as follows:

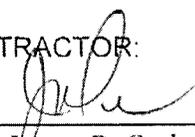
1. Section 6 Term, this Contract is extended for a one-year period, July 1, 2016 through, June 30 2017.
2. Section 5 Price. CITY shall pay to CONTRACTOR an amount not to exceed One hundred and two thousand four hundred and seventy eight dollars (\$102,478) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit B, attached to original agreement and incorporated herein by reference.
3. All other terms and conditions of the above referenced Contract as amended shall remain unchanged and in full force and effect. All terms and conditions in the original Contract 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 _____, 2016.

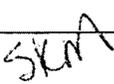
CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: 
Title: James R. Carlson, Sr. Vice-President

APPROVED AS TO FORM:

City Attorney 

ATTEST:

City Clerk

ATTEST: (If corporation)



Secretary
Mark Schlag, Assistant Secretary

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER THREE
TO CONTRACT BETWEEN THE CITY OF CHANDLER
AND
UNIVAR USA, INC.
FOR WATER TREATMENT AND POOL CHEMICALS
CONTRACT NO. MU4-885-3350

This Amendment Three to that certain Contract between the City of Chandler (City) and Univar USA, Inc. (Contractor) for Water Treatment and Pool Chemicals dated, September 26, 2014 amended February 19, 2015 and June 24, 2015 is entered into this ____ day of _____, 2016.

WHEREAS, the parties entered into contract for one year with provisions to extend up to four additional periods of one year and the parties have agreed to extend the contract for the Second year.

NOW THEREFORE, the parties agree as follows:

1. Section 6 Term. This Contract is extended for a one-year period, July 1, 2016 through, June 30 2017.
2. Section 5 Price. CITY shall pay to CONTRACTOR an amount not to exceed two hundred twenty eight thousand six hundred and ninety dollars (\$228,690) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Amendment One Sections A and B to this Contract.
3. All other terms and conditions of the above referenced Contract as amended shall remain unchanged and in full force and effect. All terms and conditions in the Contract 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 _____, 2016.

CITY OF CHANDLER:

By: _____
Mayor

APPROVED AS TO FORM:

City Attorney *[Signature]*

ATTEST:

City Clerk

CONTRACTOR:

By: *[Signature]*
Title: *Municipal Commercial Manager*

ATTEST: (If corporation)

[Signature]
Secretary

WITNESS: (If individual or Partnership)

[SEAL]

AMENDMENT NUMBER TWO
TO CONTRACT BETWEEN THE CITY OF CHANDLER
AND
WATERNUTS AQUATIC ENT, INC. DBA COMMERCIAL POOL REPAIR
FOR WATER TREATMENT AND POOL CHEMICALS
CONTRACT NO. MU4-885-3350

This Amendment Two to that certain Contract between the City of Chandler (City) and Waternuts Aquatic Ent, Inc. dba Commercial Pool Repair (Contractor) for Water Treatment and Pool Chemicals dated, September 26, 2014 and amended July 1, 2015 is entered into this ____ day of _____, 2016.

WHEREAS, the parties entered into contract for one year with provisions to extend up to four additional periods of one year and the parties have agreed to extend the contract for the second year;

NOW THEREFORE, the parties agree as follows:

1. Section 6 Term, this Contract is extended for a one-year period, July 1, 2016 through, June 30 2017.
2. Section 5 Price, CITY shall pay to CONTRACTOR an amount not to exceed one hundred and seventy two thousand two hundred dollars (\$172,200) for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit B, attached to original agreement and incorporated herein by reference.
3. All other terms and conditions of the above referenced Contract as amended shall remain unchanged and in full force and effect. All terms and conditions in the original Contract 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 16TH day of February, 2016.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: [Signature]
Title: Vice President

APPROVED AS TO FORM:

City Attorney

ATTEST: (If corporation)

[Signature]
Secretary

ATTEST:

City Clerk

WITNESS: (If individual or Partnership)

[SEAL]