



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. MUA17-019**

1. Agenda Item Number:
18
2. Council Meeting Date:
August 11, 2016

TO: MAYOR AND COUNCIL

3. Date Prepared: July 27, 2016

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Amendment No. 2 to Contract No. MU5-885-3431 for GE Chemicals

6. RECOMMENDATION: Staff recommends City Council approve Amendment No. 2 to Contract No. MU5-885-3431, with GE Betz, Inc., for GE Chemicals, in an amount not to exceed \$120,000, for a one-year term, September 17, 2016 through September 16, 2017.

7. BACKGROUND/DISCUSSION: The Ocotillo Brine Reduction Facility, located at 3737 S. Price Road, requires the use of specific chemicals for its lime softening process and brine concentrator. GE Betz, Inc., has been supplying these proprietary chemicals that the facility requires. Using other types of chemicals will damage the facility's equipment.

The cost for this purchase will be reimbursed by Intel.

8. EVALUATION PROCESS: On September 11, 2014, City Council approved a contract with GE Betz, Inc., for GE Chemicals, for a one-year term, with the option of four (4) additional one-year extensions. GE Betz, Inc., has agreed to extend for one (1) additional year under the same terms, conditions, and pricing.

Staff recommends extension of this contract. The term of this amendment is from September 17, 2016, through September 16, 2017. This is the second extension of the original contract.

9. FINANCIAL IMPLICATIONS:

Cost: \$120,000
Savings: N/A
Long Term Savings: N/A

Fund Source:

<u>Account No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
616.3930.5318.0.0	WW Ind. Treatment, Reverse Osmosis	Chemicals	No	\$120,000

10. PROPOSED MOTION: Move City Council approve Amendment No. 2 to Contract No. MU5-885-3431 with GE Betz, Inc., for GE Chemicals, in an amount not to exceed \$120,000, for one year, September 17, 2016 through September 16, 2017.

Attachments: Amendment

APPROVALS

11. Requesting Department

13. Department Head





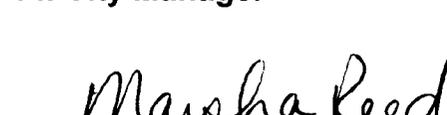
Kim Neill, Utility Operations Manager

John Knudson, Municipal Utilities Director

12. Procurement Officer

14. City Manager





Mike Mandt, CPPB

Marsha Reed

AMENDMENT NUMBER TWO
TO CONTRACT BETWEEN THE CITY OF CHANDLER
AND
GE BETZ, INC.
FOR GE CHEMICALS
CONTRACT NO. MU5-885-3431

This Amendment No. Two to that certain Agreement between the City of Chandler (City) and GE Betz Inc. (Contractor) for GE Chemicals dated September 14, 2014 and is entered into this _____ day of _____, 2016.

WHEREAS, the parties entered an Agreement for a term of one year with provisions to extend for four additional one-year periods,

WHEREAS, the parties extended for the first one-year option at the same terms and conditions;

WHEREAS, the parties have agreed to extend for the second one-year option at the same terms and conditions;

NOW THEREFORE, the parties agree as follows:

1. This Agreement is hereby extended for a one-year period, September 17, 2016 through September 16, 2017.
2. City shall pay Contractor an amount not to exceed \$120,000 payable as set forth in Exhibit A of the Agreement.
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 _____, 2016.

CITY OF CHANDLER:

By: _____
Mayor

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

CONTRACTOR:

By: *Michael J. ...*
Title: Commercial Contracts Mgr

ATTEST: (If corporation)

Nara De Angelo
Asst. Secretary

WITNESS: (If individual or Partnership)

[SEAL]