



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

**1. Agenda Item Number:**

**35**

**2. Council Meeting Date:**  
February 12, 2009

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** December 5, 2008

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Municipal Utilities/Community Svcs.

**5. SUBJECT:** Approval of a one-year extension of contract MU6-505-2185 for various water treatment, wastewater treatment, and swimming pool chemicals with Thatcher Company of Arizona, Hill Brothers Chemical Company, DPC Enterprises, Commercial Pool Repair, Brenntag Chemical Company, Hasa, Inc., Basic Chemical Solutions, LLC, Siemens Corporation, Calgon Carbon Corporation, Polydyne, Inc., Salt Works, General Chemical, Kemira Water Solutions, and Occidental Chemical Corporation in an amount not to exceed \$4,594,415.

**6. RECOMMENDATION:** Recommend approval of a one-year extension of contract MU6-505-2185 for various water treatment, wastewater treatment, and swimming pool chemicals with Thatcher Company of Arizona, Hill Brothers Chemical Company, DPC Enterprises, Commercial Pool Repair, Brenntag Chemical Company, Hasa, Inc., Basic Chemical Solutions, LLC, Siemens Corporation, Calgon Carbon Corporation, Polydyne, Inc., Salt Works, General Chemical, Kemira Water Solutions, and Occidental Chemical Corporation in an amount not to exceed \$4,594,415.

**7. HISTORICAL BACKGROUND/DISCUSSION:** Municipal Utilities and the Community Services Departments utilize this contract for purchase of water treatment, wastewater treatment and swimming pool chemicals. This contract was cooperatively bid to ensure economies of scale resultant from purchase of larger quantities of comparable chemicals. The communities that utilize this contract include Chandler, Tempe, Glendale, Mesa, Gilbert, Surprise, El Mirage, Peoria, Yuma, and the Superstition Mountains Community Facilities District.

**8. EVALUATION PROCESS:** In January 2006, Council awarded a one-year contract for various water treatment, wastewater treatment, and swimming pool chemicals. The contractors have agreed to extend the contracts for the third of four additional one-year periods with significant price increases on some of the chemicals. The contract allows for quarterly price adjustments as long as sufficient documentation is provided proving that raw material costs have increased. Purchasing has reviewed these price increases extensively and has determined that they are acceptable due to current market conditions.

**9. FINANCIAL IMPLICATIONS:**

Costs: \$4,594,415.00  
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>
101.4520.0000.5318	General, Aquatics	Chemicals	N/A	\$ 201,550
605.3830.0000.5318	Water Operating, Water Treatment	Chemicals	N/A	\$ 2,487,865
605.3860.0000.5318	Water Operating, Water Production Facilities	Chemicals	N/A	\$ 410,000
615.3940.0000.5318	WW Operating, Lone Butte	Chemicals	N/A	\$ 600,000
615.3960.0000.5318	WW Operating, AWRF	Chemicals	N/A	\$ 650,000
616.3930.0000.5318	WW Ind. Treatment, Reverse Osmosis	Chemicals	N/A	\$ 245,000
<b>Total</b>				<b>\$ 4,594,415</b>

**10. PROPOSED MOTION:** Move to approve a one-year extension of contract MU6-505-2185 for various water treatment, wastewater treatment, and swimming pool chemicals with Thatcher Company of Arizona, Hill Brothers Chemical Company, DPC Enterprises, Commercial Pool Repair, Brenntag Chemical Company, Hasa, Inc., Basic Chemical Solutions, LLC, Siemens Corporation, Calgon Carbon Corporation, Polydyne, Inc., Salt Works, General Chemical, Kemira Water Solutions, and Occidental Chemical Corporation in an amount not to exceed \$4,594,415.

APPROVALS

11. Requesting Department

*Victoria Sharp*

Victoria Sharp, Water Sys Operations Superintendent

13. Department Head

*Dave Siegel*

Dave Siegel, Municipal Utilities Director

12. Procurement Officer

*Carolee Stees*

Carolee Stees, CPPB

14. City Manager

*W. Mark Pentz*

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