



APPROVED
BY THE CITY COUNCIL

APR 20 1999

1.20

OFFICE OF THE
CITY CLERK

DEPARTMENT OF
FINANCE

PROCUREMENT SERVICES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

April 20, 1999

PS:Admin:99022:RBH:SA:bd

5730 - 24TH STREET
BUILDING FOUR
SACRAMENTO, CA
95822-3699

PH 916-433-6240
FAX 916-399-0263

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: INCREASE IN CONTRACT AMOUNT FOR BID NO. 1705 FOR LIQUID ALUMINUM SULFATE (ALUM) FROM \$225,000.00 TO \$300,000.00

LOCATION AND COUNCIL DISTRICT: City-wide; All districts

RECOMMENDATION:

Staff recommends that City Council authorize the City Manager to increase the amount of the current contract, Bid No. 1705, for Liquid Aluminum Sulfate (Alum) from \$225,000.00 to \$300,000.00 per contract year. This contract was originally awarded by Council on June 4, 1996, to General Chemical Company, 90 East Halsey Road, Parsippany, NJ 07054.

CONTACT PERSONS: Kathy Mullen, Water & Sewer Superintendent, 382-3105
Steve Alstrom, Senior Buyer, 433-6343

SUMMARY:

This report requests authorization to increase the current contract amount with General Chemical Company for alum from \$225,000.00 to \$300,000.00 per contract year.

FOR COUNCIL MEETING OF: April 20, 1999

BACKGROUND:

On June 4, 1996, City Council awarded Bid No. 1705 for alum to General Chemical Company, 90 East Halsey Road, Parsippany, NJ 07054, in an amount not to exceed \$225,000.00 per contract year. This material is purchased for the Water Production Operations of the Utilities Department and is used in the production and purification of potable water for resale. The City is currently in its third and final year of this contract that expires June 30, 1999.

The contract award amount was originally based on the estimated yearly alum tonnage necessary to meet water production three (3) years ago. Over the past couple of years, however, the City's requirement for alum has increased substantially. The major reason for the increase in alum usage is increased water production to meet population growth. In addition, other factors also influence the amount of alum needed. These include the turbidity, temperature and alkalinity of the water, and which water treatment plant is operating during the winter months.

Because of the above stated reasons, the Utilities Department is requesting City Council to authorize the increase in contract award amount for Bid No. 1705 from \$225,000.00 to \$300,000.00 for this final contract year ending June 30, 1999. Procurement Services is currently developing bid specifications to facilitate competitive bidding for this requirement with the intent of establishing a new contract prior to the expiration of the existing contract.

FINANCIAL CONSIDERATIONS:

Sufficient funds have been budgeted for FY98/99 by the Utilities Department for chemicals and gases.

ENVIRONMENTAL CONSIDERATIONS:

Ongoing administrative and maintenance activities, such as purchases of supplies, equipment or materials which are not made for purposes of a public works construction project, do not constitute a "project" and are exempt from the California Environmental Quality Act (CEQA). CEQA Guidelines, Sections 15061(b)(1), 15378(b)(3).

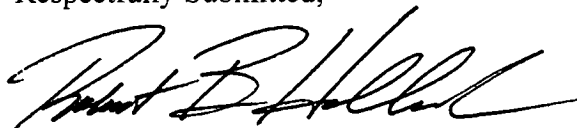
POLICY CONSIDERATIONS:

This recommendation is consistent with the requirements for competitive bidding as detailed in Title 57 of the Sacramento City Code.

E/SBE CONSIDERATIONS:

Requests for bid (RFB) were sent to five (5) contractors. No M/WBE or E/SBE firms were known or listed in the City bid list that supply this specialty chemical for water production.

Respectfully Submitted,



Robert B. Holbrook
Procurement Services Manager

RECOMMENDATION APPROVED:



ROBERT P. THOMAS
City Manager