

RESOLUTION NO. 2018-0471

Adopted by the Sacramento City Council

December 4, 2018

Suspending Competitive Bidding to Allow the Purchase of Water and Wastewater Treatment Chemicals Through Participation in the Bay Area Chemical Consortium Competitive Bid Process

BACKGROUND

- A. On January 26, 2016, City Council suspended competitive bidding to allow the Department of Utilities (DOU) to participate in the Bay Area Chemical Consortium (BACC) bid process for a period of three years. The BACC is a group of approximately 60 public agencies located throughout the region. Since the prices for chemicals used in DOU's treatment processes vary from year to year, this process has allowed DOU to obtain the most competitive bulk bid prices for chemicals.
- B. In a continuing effort to obtain the best possible chemical bid prices, staff is recommending City Council once again suspend competitive bidding for a period of up to five years to allow the City to purchase certain chemicals at prices obtained through the BACC bid process. As with any other supply contract, staff will return to Council for approval to award any resultant chemical purchase contracts of \$100,000 or more.
- C. City Code Section 3.56.230(c) authorizes the City Council to suspend competitive bidding for the purchase of supplies when, upon a two-thirds vote, the City Council determines it is in the best interests of the City to do so. It is in the City's best interest to suspend competitive bidding for the purchase of water and wastewater treatment chemicals via participation in the BACC process, because the significantly larger purchasing power of the BACC agencies bidding collectively will result in lower chemical bid prices than the City can obtain using a stand-alone bid process, which will save the City and City ratepayers money on chemical purchases. Staff will return to Council for approval to award any resultant chemical purchase contracts of \$100,000 or more.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. In the best interests of the City, competitive bidding is suspended for the purchase of chemicals used in DOU's water and wastewater treatment processes, to allow the purchase of these chemicals through participation in the BACC competitive bid process, for a maximum period of five years.

Adopted by the City of Sacramento City Council on December 4, 2018, by the following vote:

Ayes: Members Carr, Guerra, Hansen, Harris, Jennings, Schenirer, and Mayor Steinberg

Noes: None

Abstain: None

Absent: Members Ashby and Warren

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2018.12.20 09:45:14
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Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.