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APPROVED
BY THE CITY COUNCIL

MAY 27 1997

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SACRAMENTO, CA
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DEPARTMENT OF
FINANCE

PROCUREMENT SERVICES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

May 27, 1997

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City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: AWARD OF A CONTRACT FOR QUICKLIME IN A TOTAL AMOUNT NOT TO EXCEED \$90,000.00 PER CONTRACT YEAR

LOCATION AND COUNCIL DISTRICT: City-wide, all districts

RECOMMENDATION:

Because no responses were received for Bid No. 1743 for Quicklime, staff recommends that Council award a contract to the City's current quicklime supplier, Chemical Lime Company of Arizona, 14931 Salt Lake Avenue, Industry, CA 91744, in a total amount not to exceed \$90,000.00 per contract year.

CONTACT PERSONS: Roland Pang, Plant Services Superintendent, 382-3119
Steve Alstrom, Senior Buyer, 433-6343

FOR COUNCIL MEETING OF: May 27, 1997

SUMMARY:

The Water Operations Division of the Utilities Department has a requirement to purchase quicklime to be used in the production and purification of potable water for resale. Since no responses were received for formal competitive Bid No. 1743, staff recommends that the City Council award a contract to Chemical Lime Company of Arizona, the City's current quicklime supplier.

BACKGROUND:

This bulk chemical, quicklime, is being purchased for the Water Operations Division of the Utilities Department. It is used in the production and purification of potable water for resale at both City water treatment plants. Quicklime is primarily used to raise the PH level after the introduction of chlorine to the water for disinfection purposes. It also assists in the control of corrosion in the piping and has a tendency to "soften" the water.

The Procurement Services Division solicited formal competitive bids for quicklime under Bid No. 1743, with bids due to the City Clerk on May 7, 1997. At the time of bid opening, no responses were received.

Historically, and primarily due to plant and resource location, only one company has been able to offer competitive pricing to the City. This company is Chemical Lime Company of Arizona. When contacted to ask why they did not submit a bid, staff was informed that their offices were recently moved, and that the bid package had not been forwarded to their new location.

Chemical Lime Company has offered to sell quicklime to the City at \$89.75 per ton, the same price as last year's contract price, and will adhere to all terms and conditions in Bid No. 1743. As no other suppliers are able to offer this product to the City, staff recommends that City Council award a contract for quicklime to Chemical Lime Company of Arizona in an amount not to exceed \$90,000.00 per contract year, with the option to extend this contract two additional years, as provided in the specifications of Bid No. 1743.

FINANCIAL CONSIDERATIONS:

Sufficient funds have been budgeted in the Drainage Operation's FY97/98 budget line 425-330-3323-4401 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).

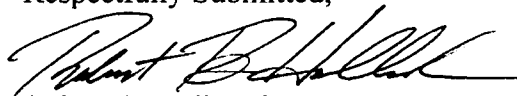
POLICY CONSIDERATIONS:

This recommendation is consistent with the requirements as detailed in Section 57.04.401(a) of the Sacramento City Code, which authorizes City Council to enter into a contract "when, after advertising for bids as required herein, no valid bids are received."

MBE/WBE EFFORTS:


No M/WBE firms are known or listed in the City Bid Directory that supply this type of bulk chemical.

Respectfully Submitted,



Robert B. Holbrook
Procurement Services Manager

RECOMMENDATION APPROVED:


WILLIAM H. EDGAR
City Manager

BID TABULATION SHEET FOR BID NO. 1743 - QUICKLIME

<u>Bidder</u>	<u>Ton Price</u>	<u>Total</u>	<u>Prompt Payment Discount</u>	<u>City Tax Preference</u>	<u>M/WBE Preference</u>	<u>Evaluation Total</u>
Chemical Lime Company of Arizona ⁽¹⁾	\$89.75	\$89,750.00	None	None	None	<u>\$89,750.00</u>

Award of Contract To: Chemical Lime Company of Arizona
14931 Salt Lake Avenue
Industry, CA 91744

Total Amount of Contract: \$90,000.00

Using Department: Utilities, Water Operations Division

Original Estimated Cost: \$90,000.00

Due Date: May 7, 1997

Total Bid Amount: Not Applicable⁽¹⁾

⁽¹⁾ Since no responses were received for formal competitive Bid No. 1743, staff recommends that the City Council award a contract to Chemical Lime Company of Arizona, the City's current quicklime supplier. It is also recommended that the contract be awarded in an amount not to exceed \$90,000.00 per contract year, with the option to extend this contract two additional years, as provided in the specifications of Bid No. 1743.

Total No. of Bids Solicited	No. of M/WBE Bids Solicited	No. of M/WBE Responses	Award to M/WBE Vendor?
5	None Known or Listed	0	No