

REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT
June 22, 2010

Honorable Mayor and
Members of the City Council

Title: Contracts: Swimming Pool Chemicals

Location/Council District: City-wide

Recommendation: Adopt a **Resolution: 1)** awarding a one-year contract to Lincoln Equipment, Inc., for the purchase of chemicals in an amount not to exceed \$305,990 for Fiscal Year (FY) 2010/11; **2)** awarding a one-year contract to Leslie's Poolmart, Inc., dba Leslie's Swimming Pool Supplies, for the purchase of chemicals in an amount not to exceed \$31,901 for FY2010/11; and **3)** authorizing the City Manager or designee to execute the contracts and the required purchase orders for FY2010/11.

Contact: David Mitchell, Operations Manager, 808-6076; Alan Tomiyama, Recreation Manager, 808-8958; Craig Lymus, Acting Procurement Services Manager, 808-5524

Presenters: Not applicable

Department: Parks and Recreation

Division: Recreation

Organization No: 19001521

Description/Analysis

Issue: The Parks and Recreation Department has an on-going need to purchase a variety of chemicals required to operate and maintain the City's swimming pools, wading pools and fountains located at 26 potential locations. The chemicals are powerful disinfectants used to maintain acceptable water quality. As a result of a competitive bidding process, City Council is being asked to authorize the City Manager to execute contracts to purchase these chemicals from Lincoln Equipment, Inc., and from Leslie's Poolmart, Inc., dba Leslie's Swimming Pool Supplies, for Fiscal Year 2010/11.

Policy Considerations: The recommendations in this report are in accordance with the provisions of the City Code Section 3.56 related to the purchase of supplies.

Environmental Considerations:

California Environmental Quality Act (CEQA): The current proposal

involves the purchase of chemicals for swimming pools and fountains accessible to the public. Continuing maintenance activities, such as the purchase of supplies, is not a "project" for the purposes of CEQA pursuant to Section 15378(b)(2) of the CEQA Guidelines (Title 14 Cal. Code Reg. § 15000 et seq.). Therefore, no environmental review is necessary.

Sustainability Considerations: The chemicals to be purchased are required to meet State of California Health and Safety Code requirements for water quality and human contact. All storage and usage of these chemicals is in compliance with county, state and federal regulations. The chemicals are stored at the site of each individual pool, wading pool and fountain. The sites are regularly inspected by the Sacramento County Department of Environmental Management, Hazardous Materials Unit.

Commission/Committee Action: None

Rationale for Recommendation: The chemicals are required to be used to ensure protection of the public from biological hazards inherent in public swimming pools and fountains. The chemicals to be purchased include calcium hypochlorate, sodium hypochlorate, muriatic acid, calcium chloride and calcium chloride. Without the chemicals, the Department of Parks and Recreation would be forced to drain all City swimming pools and fountains to prevent a possible health hazard.

On April 8, 2010, the Department of Parks and Recreation, in accordance with City Code Section 3.56, issued Invitation for Bid No. B10190015212 for the purchase of five groups of chemicals. Group I is for calcium hypochlorate, Group II is for sodium hypochlorate, Group III is for muriatic acid, Group IV is for sodium bicarbonate and Group V is for calcium chloride.


Eight responses were received, although not all respondents provided bids for all five groups. The lowest responsive and responsible bidder for Groups I and II was determined to be Lincoln Equipment, Inc. The lowest responsive and responsible bidder for Groups III, IV and V was determined to be Leslie's Poolmart, Inc. A summary of the bid results is provided in Attachment 1.


Although swimming pool hours have been reduced and additional reductions are proposed for next year, the Department is required to continue to maintain the water quality in pools. The one-year contract would allow Parks and Recreation to purchase the potential maximum amount of chemicals next year without seeking additional authority. However, only the amount of chemicals necessary to support approved operations will be purchased. The actual amount of chemicals purchased will be determined by the number of pools and fountains in use, with additional chemicals purchased to maintain minimal water quality in any pools that are not open for public use. Pools that are closed to the public likely will not be drained so that adequate weight and pressure remains in the pools to keep them from cracking and/or rising up out of the ground due to

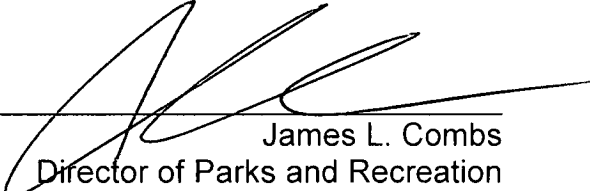
ground movement and high groundwater levels.

Financial Considerations: There are sufficient funds available in the Department of Parks and Recreation's operating budget for chemical purchases in FY2010/11. The maximum cost of \$337,891 reflects a maximum purchase of \$305,990 from Lincoln and \$31,901 from Leslie's.

Emerging Small Business Development (ESBD): Neither Lincoln Equipment, Inc., nor Leslie's Poolmart, Inc., is certified as an Emerging/Small Business Enterprise (ESBE).

Respectfully submitted by: 
David Mitchell
Operations Manager

Respectfully Submitted by: 
Craig B. Lymus
Acting Procurement Services Manager

Approved by: 
James L. Combs
Director of Parks and Recreation

Recommendation Approved:


Gus Vina
Interim City Manager

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**SUMMARY OF BID RESULTS FOR BID NO. B10190015212
Group I – Calcium Hypochlorate**

Bid Category (includes sales tax and delivery)	California Steam	Chem Quip	General Pool and Spa Supply	Leslie's Poolmart
Price Group I	\$520,567.76	\$277,475.63	No bid	\$298,763.44
5% ESBE Preference	<\$26,028.39>	None	None	None
Prompt Payment Discount	None ⁽¹⁾	None	None	None
1% City Tax Preference	None	<\$2,774.76>	None	<\$2,987.63>
Electronic Funds Discount	None	None	None	<\$8,962.90> ⁽²⁾
Evaluation Total	\$494,539.37	\$274,700.87	No bid	\$286,812.90

Bid Category (includes sales tax and delivery)	Lincoln Equipment	Sierra Chemical – Sparks, NV	Sierra Chemical – West Sac	Univar USA
Price Group I	\$264,262.50	\$265,241.25	No bid	No bid
5% ESBE Preference	None	None	None	None
Prompt Payment Discount	None	None	None	None
1% City Tax Preference	None	None	None	None
Electronic Funds Discount	None	None	None	None
Evaluation Total	\$264,262.50	\$265,241.25	No bid	No bid

(1) The prompt payment discount offered by California Steam requires payment within ten days, which is less than the City minimum of twenty days, so the discount is not applicable.

(2) The electronic funds discount offered by Leslie's requires payment by a purchasing card, which the City is not yet set up to handle.

**SUMMARY OF BID RESULTS FOR BID NO. B10190015212
Group II – Sodium Hypochlorate**

Bid Category (includes sales tax and delivery)	California Steam	Chem Quip	General Pool and Spa Supply	Leslie's Poolmart
Price Group II	\$68,965.78	\$43,907.69	No bid	\$50,329.50
5% ESBE Preference	<\$3,448.29>	None	None	None
Prompt Payment Discount	None ⁽¹⁾	None	None	None
1% City Tax Preference	None	<\$439.08>	None	<\$503.30>
Electronic Funds Discount	None	None	None	<\$1,509.89> ⁽²⁾
Evaluation Total	\$65,517.49	\$43,468.61	No bid	\$48,316.32

Bid Category (includes sales tax and delivery)	Lincoln Equipment	Sierra Chemical – Sparks, NV	Sierra Chemical – West Sac	Univar USA
Price Group II	\$41,727.25	\$42,194.88	\$47,058.84	No bid
5% ESBE Preference	None	None	None	None
Prompt Payment Discount	None	None	None	None
1% City Tax Preference	None	None	None	None
Electronic Funds Discount	None	None	None	None
Evaluation Total	\$41,727.25	\$42,194.88	\$47,058.84	No bid

(1) The prompt payment discount offered by California Steam requires payment within ten days, which is less than the City minimum of twenty days, so the discount is not applicable.

(2) The electronic funds discount offered by Leslie's requires payment by a purchasing card, which the City is not yet set up to handle.

**SUMMARY OF BID RESULTS FOR BID NO. B10190015212
Group III – Muriatic Acid**

Bid Category (includes sales tax and delivery)	California Steam	Chem Quip	General Pool and Spa Supply	Leslie's Poolmart
Price Group III	\$60,756.49	\$33,686.81	No bid	\$24,039.73
5% ESBE Preference	<\$3,037.82>	None	None	None
Prompt Payment Discount	None ⁽¹⁾	None	None	None
1% City Tax Preference	None	<\$336.87>	None	<\$240.40>
Electronic Funds Discount	None	None	None	<\$721.19> ⁽²⁾
Evaluation Total	\$57,718.66	\$33,349.94	No bid	\$23,078.14

Bid Category (includes sales tax and delivery)	Lincoln Equipment	Sierra Chemical – Sparks, NV	Sierra Chemical – West Sac	Univar USA
Price Group III	\$32,063.72	\$32,528.63	\$28,954.69	Non-responsive ⁽³⁾
5% ESBE Preference	None	None	None	None
Prompt Payment Discount	None	None	None	None
1% City Tax Preference	None	None	None	None
Electronic Funds Discount	None	None	None	None
Evaluation Total	\$32,063.72	\$32,528.63	\$28,954.69	Non-responsive ⁽³⁾

- (1) The prompt payment discount offered by California Steam requires payment within ten days, which is less than the City minimum of twenty days, so the discount is not applicable.
- (2) The electronic funds discount offered by Leslie's requires payment by a purchasing card, which the City is not yet set up to handle. Even without the discount, Leslie's is the lowest responsive bidder.
- (3) The bid submitted by Univar for Price Group III did not include prices for all items in the group and changed the product specifications and quantities, making its bid for this Group non-responsive.

**SUMMARY OF BID RESULTS FOR BID NO. B10190015212
Group IV – Sodium Bicarbonate**

Bid Category (includes sales tax and delivery)	California Steam	Chem Quip	General Pool and Spa Supply	Leslie's Poolmart
Price Group IV	\$21,728.25	\$7,193.81	\$5,562.56	\$5,154.75
5% ESBE Preference	<\$1,086.41>	None	None	None
Prompt Payment Discount	None ⁽¹⁾	None	None	None
1% City Tax Preference	None	<\$71.94>	None	<\$51.55>
Electronic Funds Discount	None	None	None	<\$154.64> ⁽²⁾
Evaluation Total	\$20,641.84	\$7,121.87	\$5,562.56	\$4,948.56

Bid Category (includes sales tax and delivery)	Lincoln Equipment	Sierra Chemical – Sparks, NV	Sierra Chemical – West Sac	Univar USA
Price Group IV	\$6,851.25	\$7,014.38	\$7,259.06	\$7,950.71
5% ESBE Preference	None	None	None	None
Prompt Payment Discount	None	None	None	None
1% City Tax Preference	None	None	None	<\$79.51>
Electronic Funds Discount	None	None	None	None
Evaluation Total	\$6,851.25	\$7,014.38	\$7,259.06	\$7,871.21

(1) The prompt payment discount offered by California Steam requires payment within ten days, which is less than the City minimum of twenty days, so the discount is not applicable.

(2) The electronic funds discount offered by Leslie's requires payment by a purchasing card, which the City is not yet set up to handle. Even without the discount, Leslie's is the lowest responsive bidder.

**SUMMARY OF BID RESULTS FOR BID NO. B10190015212
Group V – Calcium Chloride**

Bid Category (includes sales tax and delivery)	California Steam	Chem Quip	General Pool and Spa Supply	Leslie's Poolmart
Price Group V	\$7,604.89	\$4,110.75	\$2,960.72	\$2,706.24
5% ESBE Preference	<\$380.24>	None	None	None
Prompt Payment Discount	None ⁽¹⁾	None	None	None
1% City Tax Preference	None	<\$41.11>	None	<\$27.06>
Electronic Funds Discount	None	None	None	<\$81.19> ⁽²⁾
Evaluation Total	\$7,224.64	\$4,069.64	\$2,960.72	\$2,597.99

Bid Category (includes sales tax and delivery)	Lincoln Equipment	Sierra Chemical – Sparks, NV	Sierra Chemical – West Sac	Univar USA
Price Group V	\$3,915.00	\$3,915.00	\$3,601.80	\$5,056.88
5% ESBE Preference	None	None	None	None
Prompt Payment Discount	None	None	None	None
1% City Tax Preference	None	None	None	<\$50.57>
Electronic Funds Discount	None	None	None	None
Evaluation Total	\$3,915.00	\$3,915.00	\$3,601.80	\$5,006.31

(1) The prompt payment discount offered by California Steam requires payment within ten days, which is less than the City minimum of twenty days, so the discount is not applicable.

(2) The electronic funds discount offered by Leslie's requires payment by a purchasing card, which the City is not yet set up to handle. Even without the discount, Leslie's is the lowest responsive bidder.

RESOLUTION NO.
Adopted by the Sacramento City Council

**AWARDING CONTRACTS FOR THE
PURCHASE OF SWIMMING POOL CHEMICALS**

BACKGROUND

- A. The Parks and Recreation Department has an on-going need to purchase a variety of chemicals required to operate and maintain the City's swimming pools, wading pools and fountains.
- B. On April 8, 2010, the Department of Parks and Recreation, in accordance with City Code Section 3.56, issued Invitation for Bid No. B10190015212 for the purchase of five groups of chemicals. Eight responses were received, although not all respondents provided bids for all five groups.
- C. The lowest responsive and responsible bidder for Groups I and II was determined to be Lincoln Equipment, Inc., with a total bid for Fiscal Year (FY) 2010/11 of \$305,990. The lowest responsive and responsible bidder for Groups III, IV and V was determined to be Leslie's Poolmart, Inc., with a total bid for FY2010/11 of \$31,901.

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

- Section 1. A one-year contract is awarded to Lincoln Equipment, Inc., for the purchase of chemicals in an amount not to exceed \$305,990 for Fiscal Year (FY) 2010/11.
- Section 2. A one-year contract is awarded to Leslie's Poolmart, Inc., dba Leslie's Swimming Pool Supplies, for the purchase of chemicals in an amount not to exceed \$31,901 for FY2010/11.
- Section 3. The City Manager or designee is authorized to execute the contracts and the required purchase orders for FY2010/11.