



REVISED

AGENDA
ITEM 4e
DATE 3-23-09

City Council Report

Date: March 23, 2009
To: City Council
Through: Bryan Raines, Deputy City Manager
From: Edward Quedens, Business Services Director
Subject: Renewal of the Term Contract for Water Treatment Chemicals for Warehouse Inventory (City of Chandler Contract #MU6-505-2185) "Citywide" contract

Purpose and Recommendation

Council is requested to approve a Renewal of the Term Contract for Water Treatment Chemicals as recommended. City of Chandler contract pricing was evaluated by the Business Services Department.

The Business Services Department recommends authorizing purchase from a cooperative bid with the City of Chandler, as follows:

- Brenntag Pacific at \$92,357.65; including applicable sales tax.
- DPC Enterprises at \$78,574.94, including applicable sales tax.

The combined award is then \$170,932.59 annually, based on estimated purchases.

Background/Discussion

These chemicals are used primarily to treat water in City swimming pools. Purchases are made on an as-needed basis.

Purchasing staff has determined that current price quotes are competitive, considering that chemical pricing has been extremely volatile, and the Producer Price Index (PPI) for these chemicals has risen by more than 43% since January 2008.

Alternatives

Council may choose not to authorize purchase from the Chandler contract and new bids will be obtained.

Fiscal Impact

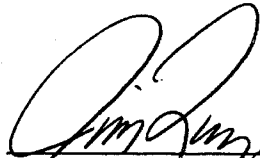
The total amount of \$170,932.59 is available in the Materials & Supply Division's budget for inventory purchases.

Coordinated With:

Materials & Supply Division




Cyndi Gonzales,
Management Assistant II



Jim Ruiz, CPPB
Purchasing Administrator



Edward Quedens, C.P.M.
Business Services Director



Bryan Raines,
Deputy City Manager

**RENEWAL RECOMMENDATION
WATER TREATMENT CHEMICALS (OTHER THAN CAP PLANT)
 CITY OF CHANDLER CONTRACT #MU6-505-2185**

VALID THROUGH DECEMBER 31, 2009

Brenntag Pacific
Chandler, AZ

Item No.	Quantity	Description	Extended Pricing
1	450	Caustic Soda, 50% Liquid (700 lb. Drum) @\$164.50/Drum	\$74,500.00
			15% Contingency <u>11,175.00</u>
			Sub Total \$85,675.00
			7.8% Sales Tax <u>6,682.65</u>
			TOTAL \$92,357.65

DPC Enterprises
Glendale, AZ

Item No.	Quantity	Description	Extended Pricing
2	670	Liquid Chlorine (150 lb. Cylinders) @ \$93.99 each	\$62,973.30
			15% Contingency <u>9,446.00</u>
			Sub Total \$72,419.30
			8.5% Sales Tax <u>6,155.64</u>
			TOTAL \$78,574.94

GRAND TOTAL - \$170,932.59
