



# City of Grand Island

Tuesday, August 24, 2021

Council Session

## Item G-5

**#2021-203 - Approving the Purchase of Liquid Ortho-Polyphosphate for Corrosion Control**

Staff Contact: Tim Luchsinger, Stacy Nonhof

# **Council Agenda Memo**

**From:** Timothy G. Luchsinger, Utilities Director  
Stacy Nonhof, Interim City Attorney

**Meeting Date:** August 24, 2021

**Subject:** Purchase of Liquid Ortho-Polyphosphate for Corrosion Control

**Presenter(s):** Timothy G. Luchsinger, Utilities Director

## **Background**

The City was issued an Administrative Order by the Nebraska Health and Human Services on March 24, 1998, requiring compliance with the Lead and Copper Rule. Because City water was corrosive enough to leach copper from household plumbing and fixtures in excess of EPA limits, the order required the preparation of an Optimum Corrosion Control Treatment program (OCCT).

The OCCT program includes the addition of liquid ortho-polyphosphate solution to the source water to reduce the corrosiveness of the naturally occurring source water. The addition was implemented in May 2003. Subsequent testing of the water system indicates that the goal of reducing corrosiveness, and thus copper levels, to comply with the regulatory order has been achieved.

## **Discussion**

The Utilities Department solicits bids for the treatment solution. The current contract to provide the additive for this term is completed. Therefore, specifications for the purchase of Liquid Ortho-Polyphosphate for Corrosion Control for two years were prepared and issued for bid. The specifications require a firm price for the product to maintain the guaranteed dose rate. Bids were publicly opened on August 10, 2021. Two bids were received as listed below. The bids were evaluated based upon the total cost to treat 4.5 billion gallons of water (a high estimate of annual treatment needed). The engineer's estimate for this project was \$175,000.00.

Bidder	Unit Price/gallon	Price/million Gallons	Annual cost
Carus Corporation, Inc.	\$ 10.26	\$41.04	\$ 184,680.00
Shannon Chemical Corporation	\$ 6.43	\$25.72	\$ 115,740.00

Department staff has reviewed the bids for compliance with the City's detailed specifications. The products proposed by the suppliers are similar in chemical composition, as well as with another product successfully used in the past. The current dosage rate has been approved as part of the OCCT and has proven to achieve compliance with State Health Department regulations. Based on the evaluation scoring criteria that considers multiple factors, Shannon Chemical Corporation is recommended as the low evaluated bidder.

### **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

### **Recommendation**

City Administration recommends that the purchase of Liquid Ortho-Polyphosphate for Corrosion Control be awarded to Shannon Chemical Corporation from Malvern, PA as winning bidder, for a not-to-exceed price of \$25.72 per million gallons of water treated; an annual amount estimate at \$115,740.00. The actual annual amount will depend on City water usage.

### **Sample Motion**

Move to approve bid award for Liquid Ortho-Polyphosphate for Corrosion Control in the amount of \$25.72 per million gallons of treated water, to Shannon Chemical Corporation from Malvern, Pennsylvania.



Stacy Nonhof, Purchasing Agent

*Working Together for a  
Better Tomorrow, Today*

**BID OPENING**

**BID OPENING DATE:** August 10, 2021 at 2:15 p.m.  
**FOR:** Purchase of Liquid Ortho-Polyphosphate for Corrosion Control  
**DEPARTMENT:** Utilities  
**ESTIMATE:** \$175,000.00 (annually)  
**FUND/ACCOUNT:** 520  
**PUBLICATION DATE:** July 27, 2021  
**NO. POTENTIAL BIDDERS:** 2

**SUMMARY**

<b>Bidder:</b>	<b><u>Shannon Chemical Corporation</u></b> Malvern, PA	<b><u>Carus, LLC</u></b> Peru, IL
<b>Bid Security:</b>	Official Check	Harco National Ins. Co
<b>Exceptions:</b>	None	None
<b>Unit Price:</b>	\$ 6.43	\$10.26
<b>Unit Cost Treatment</b>	<b><u>\$25.72</u></b>	<b><u>\$41.04</u></b>
<b>Bid Price:</b>	\$115,740.00	\$184,680.00

cc: Tim Luchsinger, Utilities Director  
Jerry Janulewicz, City Administrator  
Stacy Nonhof, Purchasing Agent

Pat Gericke, Admin. Asst. Utilities  
Patrick Brown, Finance Director  
Scott Sekutera,  
Regulatory & Environmental Supervisor

**P2295**

RESOLUTION 2021-203

WHEREAS, the City of Grand Island invited sealed bids for Liquid Ortho-Polyphosphate for Corrosion Control; and

WHEREAS, on August 10, 2021, bids were received, opened and reviewed; and

WHEREAS, Shannon Chemical Corporation of Malvern, Pennsylvania, submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, for a not to exceed price of \$25.72 per million gallons of water treated, at an annual amount estimated at \$115,740.00 (the actual annual amount will depend on City water usage); and

WHEREAS, the bid of Shannon Chemical Corporation, is less than the estimate for Liquid Ortho-Polyphosphate for Corrosion Control.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Shannon Chemical Corporation, with a not to exceed price of \$25.72 per million gallons of water treated, at an annual amount estimated at \$115,740.00, is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, August 24, 2021.

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Roger G. Steele, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	▣ _____
August 20, 2021	▣ City Attorney