



City of Grand Island

Tuesday, July 22, 2008

Council Session

Item G5

#2008-192 - Approving Bid Award for Liquid Ortho-Polyphosphate for Corrosion Control

Staff Contact: Gary R. Mader; Wesley Nespor

Council Agenda Memo

From: Gary R. Mader, Utilities Director
Wesley Nesor, Asst. City Attorney/Purchasing

Meeting: July 22, 2008

Subject: Bid Award – Liquid Ortho-Polyphosphate for Corrosion Control

Item #'s: G-5

Presenter(s): Gary R. Mader, Utilities Director

Background

The City was issued an Administrative Order by the Nebraska Department of Health and Human Services on March 24, 1998, requiring compliance with the federal 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; that addition was implemented in May 2003. Annual 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

Bids for the OCCT program additive are solicited annually. The current contract to provide the additive for this year is completed. Therefore, specifications for the purchase of Liquid Ortho-Polyphosphate for Corrosion Control for another year were prepared and issued for bid. The specifications require a firm price for the product to maintain the guaranteed dose rate. Four 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).

Bidder	Unit Price/gal	Price/mil gal	Annual cost
Sterling Water Technologies LLC	\$ 9.96	\$39.84	\$179,280.00
Simply Aquatics, Inc.	\$ 9.23	\$36.92	\$166,140.00
Shannon Chemical Corporation	\$11.37	\$45.48	\$204,660.00
Carus Phosphates, Inc.	\$ 7.752	\$31.008	\$139,536.00

Department engineering staff has reviewed the bids for compliance with the City's detailed specifications. The products proposed by the suppliers are similar in chemical composition. 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 using the same dosage rates, the current supplier, Carus Phosphates, 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 Carus Phosphates, Inc. from Belmont, NC, as the low responsive bidder, for a not-to-exceed price of \$31.008 per million gallons of water treated in an annual amount estimated at \$139,536.00. The actual annual amount will depend on City water usage.

Sample Motion

Move to approve the award for the purchase of Liquid Ortho-Polyphosphate for Corrosion Control in the amount of \$31.008 per million gallons of treated water be awarded to Carus Phosphates, Inc. from Belmont, North Carolina.

Purchasing Division of Legal Department
INTEROFFICE MEMORANDUM



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: July 8, 2008 at 11:00 a.m.
FOR: Liquid Ortho-Polyphosphate for Corrosion Control
DEPARTMENT: Utilities
ESTIMATE: \$175,000.00
FUND/ACCOUNT: E525
PUBLICATION DATE: June 13, 2008
NO. POTENTIAL BIDDERS: 7

SUMMARY

Bidder:	<u>Sterling Water Technologies LLC</u> Columbia, TN	<u>Simply Aquatics, Inc.</u> Kirbyville, TX
Bid Security:	Travelers Casualty & Surety Co.	\$8,307.00
Exceptions:	Noted	None
Bid Price:		
Unit Price:	\$ 9.96 per gallon	\$ 9.23 per gallon
Treatment:	\$39.84 per million gallons	\$36.92 per million gallons
Total Estimated:	\$179,280.00	\$166,140.00
Bidder:	<u>Shannon Chemical Corporation</u> Malvern, PA	<u>Carus Phosphates, Inc.</u> Belmont, NC
Bid Security:	\$10,233.00	International Fidelity Ins. Co.
Exceptions:	None	None
Bid Price:		
Unit Price:	\$11.37 per gallon	\$ 7.752 per gallon
Treatment:	\$45.48 per million gallons	\$31.008 per million gallons
Total Estimated:	\$204,660.00	\$139,536.00

cc: Gary Mader, Utilities Director
Pat Gericke, Utilities Admin. Assist.
Dale Shotkoski, City Attorney
Emily Wise, Environmental Specialist

Bob Smith, Assist. Utilities Director
Karen Nagel, Utilities Secretary
Wes Nesper, Assist. City Attorney

R E S O L U T I O N 2008-192

WHEREAS, the City of Grand Island invited sealed bids for Liquid Ortho-Polyphosphate for Corrosion Control - 2008, according to plans and specifications on file with the Utilities Department; and

WHEREAS, on July 8, 2008, bids were received, opened and reviewed; and;

WHEREAS, Carus Phosphates, Inc., of Belmont, North Carolina submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, such bid being in the amount of \$139,536.00; and

WHEREAS, the bid of Carus Phosphates, Inc.'s, is less than the estimate for such project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Carus Phosphates, Inc., of Belmont, North Carolina, in the amount of \$139,536.00 for Liquid Ortho-Polyphosphate for Corrosion Control – 2008 is hereby approved as the lowest responsible bid.

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Adopted by the City Council of the City of Grand Island, Nebraska, July 22, 2008.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
July 17, 2008	☐ City Attorney