

MEMORANDUM

To: Craig City Council & Administration
From: Mark Sollenberger/Water & Wastewater Director
Date: January 21, 2016
Re: Chemical bids review and recommendations.

Below are my recommendations for which chemical companies to award bids to, for the 2016 process chemicals to be used at the water and wastewater plants. Bids were received on January 19, 2016. There were 8 companies who provided bids, 3 no bids, and 1 bid rejected that came in a day late. All of my recommendations are for the lowest bid that meets all requirements of the specifications, with a couple exceptions. (See Notes)

Item A. Polyaluminum Chloride (Bulk) - to CalChem the **lowest bid**.

(Alt: 820B & CC2220) (Bulk) – to CalChem the **lowest/only bid**.

Item B. Salt - to Snyder & Counts Feed the **lowest bid**.

Item C. Soda Ash - to BHS the **best quality product***.

Item D. Chlorine (ton cylinder) - to DPC the **estimated lowest bid****.

Item E. Sulfur Dioxide (ton cylinder) - to DPC the **lowest bid**.

Item F. Liquid Sodium Permanganate – to Chemrite Inc. the **lowest bid**.

Item G. Potassium Permanganate – to Chemrite Inc. the **lowest bid**.

Item H. Sodium Fluorosilicate – to Thatcher Chemical the **lowest/only bid**.

Item I. Powdered Activated Carbon – to Thatcher Chemical the **lowest bid**.

Item J. Coagulant Polymer – to Thatcher Chemical the **lowest/only bid**.

Item K. Filter Aid Polymer – to Thatcher Chemical the **lowest/only bid**.

Item L. Calcium Hypochlorite - to Chemrite Inc. the **lowest calculated bid**.

Item M. Sodium Hypochlorite – to Thatcher Chemical the **lowest/only bid**.

I've attached a bid tabulation sheet for your convenience, and have highlighted (in yellow) my award recommendations.

Note*: (Item C) The soda ash supplied by BHS is by far a better quality product. It is a technical grade material which allows for better chemical feed performance than the soda ash Thatcher Chemical provides. There is a minimal cost difference between the two bids of about ½ cents/pound, and with this in mind I recommend awarding this bid to BHS.

Note**: (Item D) DPC's bid on a cost/pound basis for ton chlorine cylinders does not have any additional costs or fees, however Thatcher Chemical's bid included additional fees for each cylinder that are not included in the bid tabulation sheet. There is a deposit fee of \$2,500.00/cylinder, and a demurrage fee of \$30.00/month/cylinder after 60 days. This makes gauging the exact cost per pound for Thatcher Chemical's bid on ton chlorine cylinders very difficult, and the actual cost/pound could potentially end up being much higher than DPC's bid. Also, since DPC is the lowest bid for (Item E) sulfur dioxide, it makes deliveries much easier for the city and the chemical supplier if both of these chemicals are supplied by the same company. I recommend the bid for this item be awarded to DPC for these reasons.

Approved J.F. 1/22/16