



CITY OF SACRAMENTO

CITY MANAGER'S OFFICE
RECEIVED
NOV 12 1980

DEPARTMENT OF FINANCE
DIVISION OF PURCHASING

800 TENTH STREET SACRAMENTO, CA 95814
SUITE 3 TELEPHONE (916) 449-5342

HOWARD F. ISHIDA
PURCHASING AGENT

November 12, 1980

APPROVED
BY THE CITY COUNCIL

NOV 12 1980

OFFICE OF THE
CITY CLERK

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Suspension of Formal Competitive Bidding for the Purchase of
Liquid Sulphur Dioxide and Liquid Chlorine

SUMMARY

Since the Main Wastewater Treatment Plant will continue to operate past the projected closing date of December 31, 1980, the Water and Sewer Division has a requirement for the additional purchase of 220 tons (more or less) of liquid sulphur dioxide, 500 tons (more or less) of liquid chlorine, in bulk, and 18 tons (more or less) of liquid chlorine, in 1-ton cylinders to be used, as required, during the period January 1, 1981 through June 30, 1981 or until such time the plant is no longer in operation. Although the current contracts did not contain an "option to extend" clause, each contractor has agreed, in writing, to extend his contract at the same terms and conditions. It is therefore recommended that the City Council suspend formal competitive bidding for this requirement.

BACKGROUND INFORMATION

The following contracts were awarded by the City Council from competitive bids received (see attached bid tabulations) for the period July 1, 1980 through December 31, 1980.

	<u>Contractor</u>	<u>Commodity</u>	<u>Date Awarded by City Council</u>	<u>Unit Price Per Ton</u>
<i>C-80031</i>	Chem-Serv	liquid sulphur dioxide	May 27, 1980	\$248.50
<i>C-80032</i>	Olympic Chemical Company	liquid chlorine, in bulk	June 4, 1980	\$219.00
<i>C-80033</i>	Foremost McKesson Chemical Group	liquid chlorine, in 1-ton cylinders	June 4, 1980	\$209.75

Each contractor has performed in a satisfactory manner during the past six (6) months and an informal sampling confirms that the existing prices are as low or lower than any prices that would be available through any rebidding process.

FINANCIAL DATA

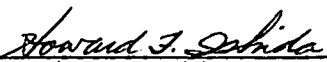
Sufficient funds for this requirement are available in the Water and Sewer Division's current 1980/81 fiscal year budget.

RECOMMENDATION

It is recommended that the City Council adopt a resolution suspending formal competitive bidding and authorizing the City Manager to execute the following necessary contracts:

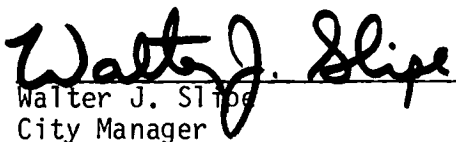
1. 220 tons (more or less) of liquid sulphur dioxide with Chem-Serv in a total estimated amount of \$57,950.20
2. 500 tons (more or less) of liquid chlorine, in bulk, with the Olympic Chemical Company in a total estimated amount of \$116,070.00
3. 18 tons (more or less) of liquid chlorine, in 1-ton cylinders, with the Foremost McKesson Chemical Group in a total estimated amount of \$4,002.03

Respectfully Submitted,



Howard F. Ishida
Purchasing Agent

Recommendation Approved:



Walter J. Slips
City Manager

HFI:jc
3 Attachments

November 18, 1980

757
80-956

RESOLUTION NO.

Adopted by The Sacramento City Council on date of

November 18, 1980

RESOLUTION SUSPENDING FORMAL COMPETITIVE BIDDING FOR THE PURCHASE OF LIQUID SULPHUR DIOXIDE AND LIQUID CHLORINE, AS REQUIRED, DURING THE PERIOD JANUARY 1, 1981 THROUGH JUNE 30, 1981, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE NECESSARY CONTRACTS

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO, TWO-THIRDS (2/3) OF ALL MEMBERS VOTING IN FAVOR THEREOF:

That pursuant to Section 57.401(c) of the Sacramento City Code, it has been determined to be in the best interests of the City to suspend formal competitive bidding and that the City Manager is hereby authorized to execute the following necessary contracts:

1. 220 tons (more or less) of liquid sulphur dioxide with Chem-Serv in a total estimated amount of \$57,950.20
2. 500 tons (more or less) of liquid chlorine, in bulk, with the Olympic Chemical Company in a total estimated amount of \$116,070.00
3. 18 tons (more or less) of liquid chlorine, in 1-ton cylinders, with the Foremost McKesson Chemical Group in a total estimated amount of \$4,002.03

MAYOR

ATTEST:

CITY CLERK

APPROVED
BY THE CITY COUNCIL

NOV 18 1980

OFFICE OF THE
CITY CLERK

BID NO. 306 - LIQUID CHLORINE, AS REQUIRED,
DURING THE PERIOD JULY 1, 1980 THROUGH JUNE 30, 1981

<u>Bidder</u>	<u>Bulk</u>		<u>1-Ton Cylinders</u>		<u>150-Pound Cylinders</u>	
	<u>Unit Price</u>	<u>Estimated Contract Amount</u>	<u>Unit Price</u>	<u>Estimated Contract Amount</u>	<u>Unit Price</u>	<u>Estimated Contract Amou</u>
Olympic Chemical Company	<u>\$219.00</u>	<u>\$185,712.00</u>	No Bid		No Bid	
Foremost McKesson Chemical Company	No Bid		<u>\$209.75</u>	<u>\$130,732.98</u>	\$0.257	\$10,896.80
Jones Chemicals, Inc.	No Bid		\$227.00	\$141,484.56	\$0.26	\$11,024.00
Continental Chemical Company	No Bid		\$213.00	\$132,758.64	<u>\$0.20667</u>	<u>\$8,762.81</u>

All bidders certify that their company is in compliance with the voluntary wage/price standards set forth by the Federal Council on Wage and Price Stability.

Total Award of Each Contract: Olympic Chemical Company - \$185,712.00
 Foremost McKesson Chemical Company - \$130,732.98
 Continental Chemical Company - \$8,762.81

Total Award of All Contracts: \$325,207.79

Estimated Cost: \$325,000.00

User: Water and Sewer Division and Community Services Department

Due Date: May 20, 1980

BID NO. 307 - LIQUID SULPHUR DIOXIDE, AS REQUIRED,
DURING THE PERIOD JULY 1, 1980 THROUGH DECEMBER 31, 1980

<u>Bidder</u>	<u>Price Per Ton</u>	<u>Estimated Contract Amount</u>	<u>Prompt Payment Discount</u>
Virginia Chemicals Inc.	\$181.90*	\$53,987.92	-0-
Chem-Serv	<u>\$248.50</u>	<u>\$73,754.80</u>	-0-

*This bidder cannot supply the 30 ton storage tank required by the City and cannot furnish tank truck deliveries. Since this bidder's only available delivery method is by rail tank car and since the City's rail line has been abandoned by Southern Pacific Railroad since 1978, this bidder must be considered non-responsive.

Note: Chem-Serv has been our supplier since 1974. Repeated attempts to secure competitive bids have been unsuccessful due to the limited availability of the chemical and the City's requirement for a 30 ton storage tank.

Both bidders certify that their company is in compliance with the voluntary wage/price standards set forth by the Federal Council on Wage and Price Stability.

Estimated Cost: \$75,000.00

User: Water and Sewer Division

Due Date: May 20, 1980



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OFFICE OF THE CITY CLERK

915 I STREET
CITY HALL ROOM 308

SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 449-5426

LORRAINE MAGANA
CITY CLERK

November 19, 1980

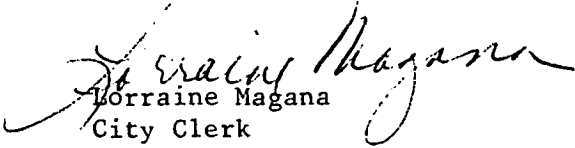
Foremost McKesson Chemical Group
33950 Seventh Street
Union City, CA 94587

Gentlemen:

On November 18, 1980, the City Council accepted your bid in the amount of \$4,002.03, for 1-ton cylinders liquid chlorine for a period of six months.

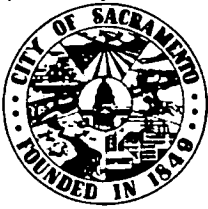
The City Purchasing Agent, Howard F. Ishida, will contact you concerning the necessary contract.

Sincerely,


Lorraine Magana
City Clerk

sj

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SACRAMENTO, CALIFORNIA 95814
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LORRAINE MAGANA
CITY CLERK

November 19, 1980

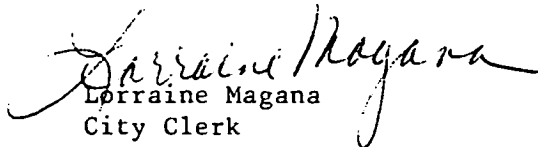
Olympic Chemical Company
3990 Westerly Place
Newport Beach, CA 92660

Gentlemen:

On November 18, 1980, the City Council accepted your bid in the amount of \$116,070, for bulk liquid chlorine for a period of six months.

The City Purchasing Agent, Howard F. Ishida, will contact you concerning the necessary contract.

Sincerely,


Lorraine Magana
City Clerk

sj

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CITY OF SACRAMENTO

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915 I STREET
CITY HALL ROOM 308

SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 449-5428

LORRAINE MAGANA
CITY CLERK

November 19, 1980

Chem-Serv
18202 Newmoon Lane
Huntington Beach, CA 92648

Gentlemen:

On November 18, 1980, the City Council accepted your bid in the amount of \$57,950.20, for liquid sulphur dioxide for a period of six months.

The City Purchasing Agent, Howard F. Ishida, will contact you concerning the necessary contract.

Sincerely, .


Lorraine Magana
City Clerk

sj

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