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CITY OF SACRAMENTO

DEPARTMENT OF GENERAL SERVICES

FACILITY MAINTENANCE DIVISION
FLEET MANAGEMENT DIVISION
RISK MANAGEMENT & INS. DIVISION
SUPPORT SERVICES DIVISION

OFFICE OF THE DIRECTOR

June 16, 1986
SS:Admin:FM:JJ:bb

City Council
Sacramento, California

APPROVED
BY THE CITY COUNCIL

JUN 24 1986

CITY MANAGER'S OFFICE
RECEIVED
JUN 18 1986

Honorable Members In Session:

OFFICE OF THE
CITY CLERK

SUBJECT: Suspending Formal Competitive Bidding for Liquid Chlorine in Bulk

SUMMARY

This report recommends the City Council suspend formal competitive bidding for the purchase of liquid chlorine in bulk.

BACKGROUND INFORMATION

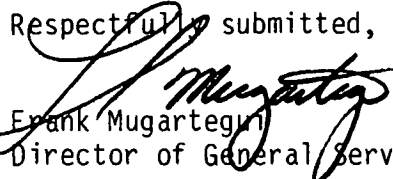
The Operations and Maintenance Division has a requirement for 380 tons of liquid chlorine in bulk for use in water production and treatment. The present contractor, Olympic Chemical Co., is the only bidder of six bidders that can supply bulk deliveries from the 85/86 bid. The contractor requests an increase in price of \$50.00 per ton to cover the increase in cost of product and the increase in cost of liability insurance coverage. A survey of the market indicates all chlorine costs have increased as well as the insurance premiums.

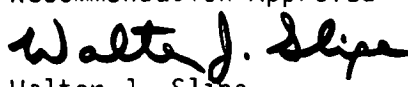
FINANCIAL DATA

The total cost for the FY 86/87 bulk delivery liquid chlorine requirements is \$93,100.00. Sufficient funds are available.

RECOMMENDATION

It is recommended that in the best interest of the City, the City Council adopt the attached Resolution Suspending Formal Competitive Bidding and Authorizing the City Manager to execute a contract with Olympic Chemical Co. for the purchase of Liquid Chlorine in Bulk at a cost not to exceed \$93,100.00.

Respectfully submitted,

Frank Mugartegui
Director of General Services

Recommendation Approved

Walter J. Slipe
City Manager

June 24, 1986
All Districts

RESOLUTION NO. 86-459

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

June 24, 1986

RESOLUTION SUSPENDING FORMAL COMPETITIVE BIDDING FOR THE PURCHASE OF LIQUID CHLORINE IN BULK FOR THE WATER AND SEWER DIVISION AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE NECESSARY CONTRACT (P. O. #65153)

APPROVED
BY THE CITY COUNCIL

JUN 24 1986

OFFICE OF THE
CITY CLERK

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 that, in the best interests of the City, the City Council suspend formal competitive bidding for the purchase of liquid chlorine in bulk and authorize the City Manager to execute the necessary contract with Olympic Chemical Company, 1224 E. Katella Avenue, #200, Orange, CA 92667, for an amount not to exceed \$93,100.00.

MAYOR

ATTEST:

CITY CLERK

June 27, 1986

Olympic Chemical Company
1224 E. Katella Avenue, #200
Orange, CA 92667

Dear Sir:

On June 24, 1986, the Sacramento City Council passed Resolution No. 86-459 authorizing City Manager to execute a contract with your company for the purchase of Liquid Chlorine in Bulk at a cost not to exceed \$93,100.00. (P065153)

The Support Services Administrator will contact you concerning the necessary contract.

Sincerely,



JANICE BEAMAN
Deputy City Clerk

JB/lw/6

cc: Support Services Division