



CITY OF SACRAMENTO

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CITY MANAGER'S OFFICE
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DEPARTMENT OF FINANCE
DIVISION OF PURCHASING

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

HOWARD F. ISHIDA
PURCHASING AGENT

May 21, 1980

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Recommendation of Award

APPROVED
BY THE CITY COUNCIL

MAY 27 1980

OFFICE OF THE
CITY CLERK

SUMMARY

Attached are tabulations of sealed proposals received by the City Clerk for furnishing materials in accordance with specifications adopted by the City Council.

RECOMMENDATION

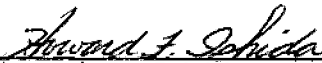
It is recommended that the City Council accept the lowest responsive and responsible proposals submitted as follows:

<u>Bid No.</u>	<u>Bidder</u>	<u>Items Awarded</u>	<u>Contract Amount</u>
251 - Fresh and Prepared Meats for Camp Sacramento (Attachment 1)	DeI Monte Meat Company 948 Arden Way Sacramento, CA 95815 P. O. #46600	All	\$17,088.70 (Estimate)
305 - Ferric Chloride for a period of 6 months (Attachment 2)	Imperial West Chemical Company P. O. Box 696 1701 Wilbur Avenue Antioch, CA 94509 P. O. #60001	6 month contract	\$129,253.80 (Estimate)
308 - Digested Sludge Conditioning Polymer for a period of 6 months (Attachment 3)	Calgon Corporation Box 1346 Pittsburgh, PA 15230 P. O. #60002	6 month contract	\$22,790.00 (Estimate)


<u>Bid No.</u>	<u>Bidder</u>	<u>Items Awarded</u>	<u>Contract Amount</u>
307 - Liquid Sulphur Dioxide for a period of 6 months (Attachment 4)	Chem-Serv 18202 Newmoon Lane Huntington Beach, CA 92648 <u>P. O. #60003</u>	6 month contract	\$73,754.80 (Estimate)
301 - Quicklime for a period of 1 year (Attachment 5)	Kerr McGee Chemical Corporation 2975 Wilshire Blvd., Suite 425 Los Angeles, CA 90010 <u>P. O. #60004</u>	1 year contract	\$60,736.00 (Estimate)
304 - Liquid Aluminum Sulfate (Alum) for a period of 1 year (Attachment 6)	Imperial West Chemical Company P. O. Box 696 1701 Wilbur Avenue Antioch, CA 94509 <u>P. O. #60005</u>	1 year contract	\$153,842.40 (Estimate)

Sufficient funds are available to award the contracts.

Respectfully Submitted,


Howard F. Ishida
Purchasing Agent

Recommendation Approved:


Walter J. Slife
City Manager

HFI:jc
6 Attachments

May 21, 1980

ATTACHMENT 1.

BID NO. 251 - FRESH AND PREPARED MEATS FOR CAMP SACRAMENTO

<u>Bidder</u>	<u>Estimated Total Bid Price</u>	<u>Prompt Payment Discount</u>
Del Monte Meat Company	<u>\$17,088.70</u>	-0-
*The Barkley Meat Company	\$17,376.50	-0-

*This bidder certifies that his company is in compliance with the voluntary wage/price standards set forth by the Federal Council on Wage and Price Stability.

Estimated Cost: \$21,000.00

User: Community Services Department for Camp Sacramento

Due Date: May 13, 1980

ATTACHMENT 2

BID NO. 305 - FERRIC CHLORIDE, 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>
Imperial West Chemical Company	\$165.71	<u>\$129,253.80</u>	-0-
Ashland Chemical Company	No Bid		
Mallinckrodt Chemical Works	No Bid		
J. J. Baker Chemical Corporation	No Bid		

Note: This vendor has been the only bidder for several years.

This bidder certifies that his company is in compliance with the voluntary wage/price standards set forth by the Federal Council on Wage and Price Stability.

Estimated Cost: \$120,000.00

User: Water and Sewer Division

Due Date: May 20, 1980

ATTACHMENT 3

BID NO. 308 - DIGESTED SLUDGE CONDITIONING POLYMER, AS REQUIRED,
DURING THE PERIOD JULY 1, 1980 THROUGH DECEMBER 31, 1980

<u>Bidder</u>	<u>Price Per Pound</u>	<u>Estimated Contract Amount</u>	<u>Prompt Payment Discount</u>
Calgon Corporation	\$0.215	<u>\$22,790.00</u>	-0-

Note: The current cost for this material is \$0.1975 per pound net. The new bid of \$0.215 per ton net reflects an increase of approximately 9%, which is considered fair and reasonable.

This bidder certifies that his company is in compliance with the voluntary wage/price standards set forth by the Federal Council on Wage and Price Stability.

Estimated Cost: \$25,000.00

User: Water and Sewer Division

Due Date: May 20, 1980

ATTACHMENT 4

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

ATTACHMENT 5

BID NO. 301 - QUICKLIME, AS REQUIRED, DURING
THE PERIOD JULY 1, 1980 THROUGH JUNE 30, 1981

<u>Bidder</u>	<u>Total Cost Per Ton</u>	<u>Estimated Contract Amount</u>	<u>Prompt Payment Discount</u>
Kaiser Refractories	\$74.14*	\$59,312.00	-0-
Kerr McGee Chemical Corporation	<u>\$75.92</u>	<u>\$60,736.00</u>	-0-
Flintkote Lime Company	\$76.80	\$61,440.00	-0-

*This bidder cannot supply the required percentage of available calcium oxide.

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.

Estimated Cost: \$75,000.00

User: Water and Sewer Division

Due Date: May 6, 1980

ATTACHMENT 6

BID NO. 304 - LIQUID ALUMINUM SULFATE (ALUM)*, AS
REQUIRED, DURING THE PERIOD JULY 1, 1980 THROUGH JUNE 30, 1981

<u>Bidder</u>	<u>Price Per Ton (Alternate Grade)</u>	<u>Estimated Contract Amount</u>	<u>Prompt Payment Discount</u>
Imperial West Chemical Company	<u>\$83.61</u>	<u>\$153,842.40</u>	-0-
Stauffer Chemical Company	No Bid		
Allied Chemical Corporation	No Bid		

*See attached memorandums

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.

Estimated Cost: \$200,000.00

User: Water and Sewer Division

Due Date: May 13, 1980

DIVISION OF WATER AND SEWERS

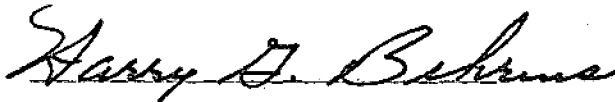
MEMORANDUM

Date: 5-19-80

To: Howard Ishida, Purchasing Agent
From: Harry G. Behrens, Manager
Subject: Award of Alum Contract

The bids we received last week from Imperial West for alum leave no doubt that we should discontinue manufacturing alum ourselves. Attached is a memo to John Varozza from me setting forth the economics. As I pointed out in this memo, even direct costs will not increase if we purchase commercial alum, and indirect costs and depreciation will certainly decrease. In addition, there are philosophical and other intangible, or non-quantifiable reasons the City should get out of the business.

My recommendation is to award the bid to Imperial West for the low-priced alum, and to reject the bids for sulfuric acid and bauxite. Our 1980-81 Budget is being revised to reflect these changes.



vz
attachment

MEMORANDUM

Date: 5-9-80

To: John Varozza, Assistant City Engineer

From: Harry G. Behrens, Manager

Subject: Purchase of Commercial Alum Vs. Manufacturing Our Own

We have received bids on commercially-manufactured alum. The price of \$83.61 per ton extends to \$146,000 for our estimated 1980-81 use.

Our cost to manufacture the same quantity ourselves would be as follows:

1) Two Plant Operators Grade II	\$ 48,840
2) Bauxite	34,440
3) Sulfuric Acid	46,620
4) Hauling	6,000
5) Electricity and Gas	1,000
6) Maintenance Worker time for unloading and grinding	6,000
7) Laboratory Services	1,000
8) Front-end loader rental	500
TOTAL DIRECT COSTS	\$144,400

In addition to direct costs, we would have depreciation. This would be no less than \$8,000/year if we depreciated the cooking and storage tanks only, using the assumption that nothing else would depreciate. We know that other items such as the tank trailer, conveyor/grinder, vent stacks, piping, and even the building itself should be depreciated, even if such depreciation is not actually budgeted.

Other factors are overhead, supervision, and electrician and machinist maintenance time.

Another factor is that the potential for injury from boiling sulfuric acid is always there in spite of our safety equipment and training. One disabling injury could put a heavy cost on the process. Use of the classification Water Treatment Plant Operator is not consistent with the State Health Department's concept of that classification with respect to experience for certification, so we try to rotate personnel through the alum plant. Lack of experience increases the potential for an injury.

Three of our four alum cooking and storage tanks need repair and probably replacing. The fourth is just as old, and can be assumed to be living on borrowed time. Our recommendation is to:

John Varozza
Assistant City Engineer

-2-

May 9, 1980

1. Award the contract for commercial alum.
2. Add \$55,840 to our Water Production Budget for chemicals and gases. The money budgeted for bauxite and acid will be applied to purchase of alum. Also, we anticipate we may use less commercial alum than we would have our own.
3. Delete the following from the Budget:
 - a. Two Plant Operators II with benefits. \$48,840
We have two vacant positions which we won't fill.
 - b. Hauling (Interdepartmental Services) 6,000
 - c. Utilities 1,000

Thus, our total budget will not change.
4. "Mothball" the alum building for 1980-81. If, for some unexpected reason, commercial alum use has disadvantages, we'll re-evaluate in mid-year and decide whether or not to overhaul the plant for another 8 - 10 years use.

Harry Behrens

vz

cc: David Breninger
Ed Conley