

COUNCIL COMMUNICATION

From: The City Manager

Subject: Water Treatment Plant Liquid Ferric Chloride Purchase

Manager's Recommendation:

I recommend that the low bid from PVS Technologies, Inc. be accepted and a purchase order be approved and issued to them in an amount not to exceed \$140,700.00 for fiscal year 2008-2009 and in an amount not to exceed \$148,200.00 for fiscal year 2009-2010 for the supply and delivery of 300-tons of Liquid Ferric Chloride.

This vendor meets all requirements of the Contract Compliance Provisions, Title 1, Chapter 14, §14.35-14.44, of the Saginaw Code of Ordinances.

Funds for this purchase are budgeted in the Water Treatment Operations Account No. 591-4730-861-7302 for fiscal year 2008-2009 and will be budgeted in the same account for fiscal year 2009-2010.

Justification:

On April 22, 2008, the City received bids for the supply and delivery of 300 tons of Liquid Ferric Chloride each year from July 1, 2008 through June 30, 2010. Liquid Ferric Chloride is used as a coagulant in the treatment process. The low bid price of \$469.00 per ton is an increase of 23.0% over the price paid for the same chemical during fiscal year 2007/2008. Following is a tabulation of the bids received and reviewed by the Purchasing Committee:

	<u>Per Ton</u>	<u>Total Bid</u>
PVS Technologies, Inc. Detroit, MI		
Year One	\$469.00	\$ 140,700.00
Year Two	\$494.00	\$ 148,200.00
Total		\$ 288,900.00

COUNCIL COMMUNICATION

	<u>Per Ton</u>	<u>Total Bid</u>
Kemira Water Solutions, Inc. Lawrence, KS		
Year One	\$500.00	\$ 150,000.00
Year Two	\$525.00	\$ 157,500.00
Total		\$ 307,500.00

Council Action:

Council _____ moved that the recommendation of the
City Manager be approved.