

CITY OF YUBA CITY  
STAFF REPORT

**Date:** June 4, 2019  
**To:** Honorable Mayor & Members of the City Council  
**From:** Public Works Department  
**Presentation by:** Benjamin Moody, Interim Assistant Public Works Director

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**Summary**

**Subject:** Chemical Bid Award (FB 19-08 and BACC)

**Recommendation:** A. Award bulk chemical purchase contracts for City facilities per the results of Formal Bid 19-08 for the period of July 1, 2019 through June 30, 2020, with the option for the City Manager to execute up to three (3) one-year contract extensions.

B. Award bulk chemical purchase contracts for City facilities per the results of the Bay Area Chemical Consortium Fiscal Year 19/20 formal bid for the period of July 1, 2019 through June 30, 2020, with the finding that it is in the best interest of the City.

**Fiscal Impact:** \$957,060.11 – 7120 (Water Treatment Plant) and 8120 (Wastewater Treatment Facility) operating accounts listed below. The actual cost will vary based upon usage.

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**Purpose:**

To cost-effectively provide the essential chemicals for the water and wastewater treatment processes.

**Background:**

The treatment processes at the City's Water Treatment Plant (WTP) and Wastewater Treatment Facility (WWTF) require a number of chemicals purchased in bulk. In order to provide the most cost savings and purchasing efficiencies, the City has primarily utilized two avenues for obtaining annual contracts for the chemical supply and delivery. These options are a City-run formal bid and the Bay Area Chemical Consortium (BACC) annual bid.

The City's last formal bid for chemicals, FB 16-08, was approved by Council on June 7, 2016, including extensions. As the contract term has reached its end, staff elected to move forward with Formal Bid 19-08.

**Analysis:**

**Formal Bid 19-08:**

Finance and Public Works staff collaborated on the specifications for Formal Bid 19-08 and issued the Invitation for Bid on April 4, 2019. The City's formal bid included four (4) chemicals; three (3) of these chemicals were not part of the BACC's annual bid process and the fourth (Liquid Chlorine) was included in order to verify that the BACC rate is cost-effective when including shipping costs.

On May 1, 2019, eight (8) bids were opened by the City Clerk's Office, with the following low responsive bidders recommended for award:

Category A – Calcium Hydroxide Slurry/Lime Slurry  
Lhoist North America                      \$677.21 /dry ton  
Fort Worth, TX

Category B – Liquid Oxygen  
Matheson Tri-Gas                      \$.46 /gallon + tax  
Irving, TX

Category C – Liquid Chlorine  
Thatcher Company of California Inc. \$750.00 /ton + tax  
Salt Lake City, UT

Category D – Powdered Activated Carbon  
Carbon Activated Corporation              \$.53 /pound  
Compton, CA

Staff recommends awarding Category C – Liquid Chlorine to Thatcher Company of California, Inc. per FB 19-08, as the price and vendor are the same as the BACC bid (see Attachment 1).

**BACC Fiscal Year 19/20 Bid:**

In 2016, the City joined the Bay Area Chemical Consortium for the purchase of chemicals for the WTP and WWTF. The BACC is a group of sixty-six (66) municipalities and water agencies that have been working together for several years to consolidate all chemical purchases into one formal bid to receive the best possible prices for all agencies. Dublin San Ramon Services District compiled the bid specifications with the other consortium agencies reviewing the specifications for accuracy. The formal bid specifications were sent to multiple vendors for each type of chemical, for a total of approximately 50 different vendors.

The recommended awardees by category through the BACC bid are as follows:

Aluminum Sulfate  
Chemtrade Chemicals US LLC              \$.7418 /gallon  
Parsippany, NJ

Citric Acid  
Brenntag Pacific                      \$6.55 /gallon + tax  
Santa Fe Springs, CA

Hydrofluosilicic Acid  
Solvay Fluorides, LLC  
Houston, TX \$1.52 /gallon

Sodium Bisulfite  
Univar USA  
Kent, WA \$1.757 /gallon + tax

Sodium Hydroxide  
Univar USA  
Kent, WA \$.7184 /gallon + tax

**Fiscal Impact:**

Funding for the bulk chemical purchases is annually budgeted in the Water and Wastewater operating budgets. The accounts to be used for these purchases are as follows:

Facility	Account Title	Estimated Amount
WTP	CHLORINE	\$50,000.00
WTP	ALUMINUM SULFATE	\$118,688.00
WTP	CARBON	\$5,300.00
WTP	CALCIUM HYDROXIDE	\$135,442.00
WTP	FLUORIDE	\$24,320.00
WTP	CITRIC ACID	\$11,239.80
WWTF	CHLORINE	\$127,073.10
WWTF	SODIUM BISULFITE	\$94,219.13
WWTF	OXYGEN	\$278,320.00
WWTF	SODIUM HYDROXIDE	\$92,458.08

The total for the fiscal year will vary from \$957,060.11, as chemical needs are variable during the treatment process and usage can only be estimated.

**Alternatives:**

1. Direct staff to conduct a formal bid for the remaining chemicals, rather than utilizing the BACC bid results. This is unlikely to result in any cost savings, as negotiating in bulk via the BACC helps to secure lower rates from vendors.
2. Reject all bids and direct staff to re-bid all chemicals for Fiscal Year 19/20. This will likely result in delayed procurement of essential chemicals for the WTP and WWTF and is unlikely to provide any cost savings for the City.

**Recommendation:**

- A. Award bulk chemical purchase contracts for City facilities per the results of Formal Bid 19-08 for the period of July 1, 2019 through June 30, 2020, with the option for the City Manager to execute up to three (3) one-year contract extensions.

- B. Award bulk chemical purchase contracts for City facilities per the results of the Bay Area Chemical Consortium Fiscal Year 19/20 formal bid for the period of July 1, 2019 through June 30, 2020, with the finding that it is in the best interest of the City.

Attachments:

1. Resolution and FB 19-08 and BACC Bid Results

Prepared by:

Submitted by:

*/s/ Scarlett O. Harris*

Scarlett O. Harris  
Administrative Assistant

*/s/ Diana Langley*

Diana Langley  
Interim City Manager

Reviewed by:

Department Head

BM

Finance

RB

City Attorney

SLC by email

# ATTACHMENT 1

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY  
AWARDING BULK CHEMICAL PURCHASE CONTRACTS TO  
FORMAL BID 19-08 AND BAY AREA CHEMICAL CONSORTIUM LOW  
BIDDERS AND AUTHORIZING THE CITY MANAGER TO EXECUTE  
SAID CONTRACTS**

WHEREAS, the City of Yuba City advertised for bids for four (4) of the City of Yuba City's Fiscal Year 19/20 chemical procurement needs via Formal Bid 19-08 (FB 19-08); and

WHEREAS, in response to the advertisement, the City received the bids for FB 19-08 in the total bid amounts listed in the Attachment; and

WHEREAS, the City of Yuba City joined the Bay Area Chemical Consortium (BACC) in order to acquire bids for five (5) of the City of Yuba City's Fiscal Year 19/20 chemical procurement needs; and

WHEREAS, in response to the BACC's advertisement, the City received the bids for BACC Fiscal Year 19/20 in the total bid amounts listed in the Attachment; and

WHEREAS, the City Public Works Department has reviewed the bids, and examined the low bidders and their bid responses, found them to be both the lowest qualified responsive and responsible bidder as listed below:

FB 19-08 Category A – Calcium Hydroxide Slurry/Lime Slurry  
Lhoist North America                      \$677.21 /dry ton  
Fort Worth, TX

FB 19-08 Category B – Liquid Oxygen  
Matheson Tri-Gas                      \$.46 /gallon + tax  
Irving, TX

FB 19-08 Category C – Liquid Chlorine  
Thatcher Company of California Inc. \$750.00 /ton + tax  
Salt Lake City, UT

FB 19-08 Category D – Powdered Activated Carbon  
Carbon Activated Corporation              \$.53 /pound  
Compton, CA

BACC Aluminum Sulfate  
Chemtrade Chemicals US LLC              \$.7418 /gallon  
Parsippany, NJ

BACC Citric Acid  
Brenntag Pacific                      \$6.55 /gallon + tax  
Santa Fe Springs, CA

BACC Hydrofluosilicic Acid  
Solvay Fluorides, LLC \$1.52 /gallon  
Houston, TX

BACC Sodium Bisulfite  
Univar USA \$1.757 /gallon + tax  
Kent, WA

BACC Sodium Hydroxide  
Univar USA \$.7184 /gallon + tax  
Kent, WA

, and has recommended them for award of these contracts; and

WHEREAS, per Section 2-16 of the BAAC method of award requirements, the lowest bidder is the single bid that results in the lowest overall cost to the participating agencies as a group, not the lowest cost for the individual region; and

WHEREAS, while Chemurgic's bid was lower just for the required for the Yuba City area, it was not the lowest overall bid for sodium bisulfite per BACC award requirements;

WHEREAS, this discrepancy is not inconsequential. The City needs certain strengths of sodium bisulfite to ensure chemical processes occur and the facilities can function as designed. This is an important component of the project; and

WHEREAS, the City desires to award the bids to the above low bidders and enter into a agreements with said vendors to provide bulk chemicals to the City's Water Treatment Plant and Wastewater Treatment Facility throughout Fiscal Year 19/20.

NOW, THEREFORE, be it resolved by the City Council of Yuba City as follows:

1. The City Council of the City of Yuba City does hereby accept the bids received for Formal Bid 19-08 as noted in the Attachment, identifies the lowest responsive and responsible bidders as noted above, and awards bulk chemical purchase contracts for City facilities per the results of Formal Bid 19-08 as follows:

FB 19-08 Category A – Calcium Hydroxide Slurry/Lime Slurry  
Lhoist North America \$677.21 /dry ton  
Fort Worth, TX

FB 19-08 Category B – Liquid Oxygen  
Matheson Tri-Gas \$.46 /gallon + tax  
Irving, TX

FB 19-08 Category C – Liquid Chlorine  
Thatcher Company of California Inc. \$750.00 /ton + tax  
Salt Lake City, UT

FB 19-08 Category D – Powdered Activated Carbon  
Carbon Activated Corporation \$.53 /pound

Compton, CA

The award and agreements shall be for the period of July 1, 2019 through June 30, 2020, with the option for the City Manager to execute up to three (3) one-year contract extensions. Said agreements shall be subjected to review and approval as to legal form by the City Attorney, and the City Manager shall be authorized to execute the same on behalf of the City of Yuba City.

2. The City Council of the City of Yuba City does hereby accept the bids received by the Bay Area Chemical Consortium as noted in the Attachment, identifies the lowest responsive and responsible bidders as noted above, and awards bulk chemical purchase contracts for City facilities per the results of the Bay Area Chemical Consortium Fiscal Year 19/20 formal bid for the period of July 1, 2019 through June 30, 2020 as follows:

BACC Aluminum Sulfate Chemtrade Chemicals US LLC Parsippany, NJ	\$ .7418 /gallon
BACC Citric Acid Brenntag Pacific Santa Fe Springs, CA	\$6.55 /gallon + tax
BACC Hydrofluosilicic Acid Solvay Fluorides, LLC Houston, TX	\$1.52 /gallon
BACC Sodium Bisulfite Univar USA Kent, WA	\$1.757 /gallon + tax
BACC Sodium Hydroxide Univar USA Kent, WA	\$.7184 /gallon + tax

The City Manager is authorized to enter into agreements on behalf of the City of Yuba City for the same, subject to review as to legal form by the City Attorney.

3. The City Council finds that the award of each of these bids is in the best interest of the City.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 4<sup>th</sup> day of June 2019.



AYES:

NOES:

ABSENT:

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Shon Harris, Mayor

ATTEST:

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Patricia Buckland, City Clerk

APPROVED AS TO FORM  
COUNSEL FOR YUBA CITY:

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Shannon Chaffin, City Attorney  
Aleshire & Wynder, LLP

Attachment(s):

FB19-08 and BACC Bid Results

ATTACHMENT

FB 19-08 AND BACC BID RESULTS



## BACC and FB19-08

Vendor	Aluminum Sulfate	Citric Acid	Hydrofluosilicic Acid	Liquid Chlorine (BACC)	Sodium Bisulfite	Sodium Hydroxide	Calcium Hydroxide Slurry/Lime Slurry Category A	Liquid Oxygen Category B	Liquid Chlorine Category C	Powdered Activated Carbon Category D
Blue= BACC Yellow=FB 19-08										
Air Products										
Brenntag		6.5500				0.7620				
Cal-Pacific Carbon										0.55 (PACarb)
Carbon Activated										0.53 (COL -PL600)
Chemtrade	0.7418									
Chemurgic					1.3400					
Dubois			1.9320							
Jacobi							No Bid	No Bid	No Bid	1.46 (AquaSorb)
Lhoist							677.2100	No Bid	No Bid	No Bid
Matheson Tri-Gas								0.4600		
Northstar		7.5500								
Olin				No Bid		1.0660	No Bid	No Bid	No Bid	
Praxair								0.6891		
Solvay			1.5200							
Thatcher	1.0152			750.0000			No Bid	No Bid	750.0000	No Bid
Univar	No Bid	7.0500	2.0000	No Bid	1.7570	0.7184	725.0000	No Bid	No Bid	No Bid
	No Tax	Tax	No Tax	Tax	Tax	Tax	No Tax	Tax	Tax	No Tax
	WTP	WTP	WTP	Both	WWTF	WWTF	WTP	WWTF	Both	WTP
Quantity Estimate	160,000 gallons	1,600 gallons	16,000 gallons	245 tons	50,000 gallons	120,000 gallons	200 dry tons	560,000 gallons	245 tons	10,000 pounds
Fiscal Year Estimate	\$118,688	\$11,239.80	\$24,320	\$197,073.10	\$94,219.13	\$92,458.08	\$135,442	\$278,320	\$197,073.10	\$5,300

\* For Information Only