



# City Council Report

**Date:** June 26, 2017  
**To:** City Council  
**Through:** Michael Kennington, Chief Financial Officer  
**From:** Edward Quedens, MPA, C.P.M., CPPO, Business Services Director  
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator  
**Subject:** Three-Year Term Contract for Water/Wastewater Treatment and Pool Chemicals for the Water Resources and Parks Recreation and Community Facilities Departments, and the Materials and Supply Warehouse **(Citywide)**

## Purpose and Recommendation

Council is requested to approve the Term Contract for Water/Wastewater Treatment and Pool chemicals as recommended.

Water Resources, Parks Recreation and Community Facilities, and Business Services recommend awarding the contract to the lowest, responsive and responsible bidders: A & M Corson's Aqua Value; AllChem Industries Holding Corp dba AllChem Performance Products; BHS Marketing dba BHS Specialty Chemical Products; Brenntag Pacific, Inc.; Chemrite, Inc.; DPC Enterprises; Evoqua Water Technologies LLC; Hill Brothers Chemical; Kemira Water, Leslie's Poolmart, Inc., Norwalk Wastewater Equipment Co. Inc. dba Norweco Inc; Pencco, Inc; Polydyne, Inc., Salt Works (a Mesa business); and Thatcher Company of Arizona, Inc. cumulatively not to exceed \$4,700,000.00 annually, based on estimated requirements.

## Background / Discussion

This contract will provide the various chemicals Water Resources needs to treat raw water and wastewater, and the chemicals Parks Recreation and Community Facilities needs to treat swimming pool water. Some of these chemicals are the same.

On April 6, 2017, Mesa, as the lead agency, requested bids for a multi-year contract with vendors to provide Water/Wastewater Treatment and Pool Chemicals through a Reverse Auction solicitation. Ten other local agencies, including Town of Queen Creek, Town of Gilbert, City of Chandler, City of Flagstaff, City of Surprise, City of Apache Junction, City of Peoria, City of Tempe, Peoria Unified School District, and Marana Unified School District, provided their estimated annual chemical usage for the solicitation, and will be purchasing from the resulting contract, as well as any S.A.V.E. members interested in utilizing this agreement. The Vendors listed for award had the lowest price for the related line item.

EASi, the company that managed the reverse auction, conducted market research and determined that bids received represented the best pricing on chemicals in today's market.

## **Alternatives**

Council may choose not to authorize the purchase and new responses will be solicited.

## **Fiscal Impact**

The annual contract amount is available in the Water Resources operating budget through the Enterprise Fund – Water and Wastewater Sub Funds, the Parks Recreation and Community Facilities operating budget, and in the Materials and Supply operating budget through the Warehouse Internal Service Fund.

## **Coordinated With**

Water Resources, Parks Recreation and Community Facilities, and Business Services – Materials and Supply and Purchasing

## **PURCHASING INFORMATION**

Action: Initial Award

Procurement Type: Request for Bids (Reverse Auction)

Solicitation Number: 2017128

Vendors Registered: ProcureAZ (308) and Vendor Self Service (319)

Advertising: Arizona Republic, Bid Net, ProcureAZ and Purchasing Website

Downloads: 160

Responses: 21

Local Consideration: Calculating pricing by using Management Policy #214, removing 1.75% (Mesa TPT) for bid evaluation did not result in a Mesa business being recommended for all or part of this award. A Mesa bidder was already the lowest, responsive and responsible bidder for part of this award.

Protests Received: None

Initial Contract Term: Three years

Possible Renewals: Two, one-year renewals subject to future Council consideration

Prices: Future price increases are capped by the Producer Price Index

Pricing Available to Other Cooperative Agencies: Yes

## **April 6, 2017 Responses**

*Bid Results and Tabulation available upon request*

Cabot Norit Americas - Non-Responsive – Did not meet minimum specifications  
Marshall, TX

## **AWARD RECOMMENDATION**

Description
<p>Water/Wastewater and Pool Chemicals per Agreement No. 2017128; Exhibits – Technical Specifications, Pricing, Mesa Standard Terms and Conditions; Other Exhibits; Solicitation including any addenda; and Contractor Responses</p> <p><u>Lowest Priced, Responsive and Responsible Vendors (various Bid Items, 1 through 31):</u></p> <p>A &amp; M Corsons Aqua Value – Scottsdale, AZ AllChem Industries Holding Corp dba AllChem Performance Products – Gainesville, FL BHS Marketing dba BHS Specialty Chemical Products – Nampa, ID Brenntag Pacific, Inc. – Santa Fe Springs, CA Chemrite Inc – Buford, GA DPC Enterprises – Glendale, AZ Evoqua Water Technologies LLC – Sarasota, FL Hill Brothers Chemical – Phoenix, AZ Kemira Water – Lawrence, KS Leslie’s Poolmart, Inc. – Phoenix, AZ Norwalk Wastewater Equipment Co. Inc. dba Norweco Inc. – Norwalk, OH Pencco, Inc – San Felipe, TX Polydyne Inc – Riceboro, GA Salt Works – Mesa, AZ Thatcher Company of Arizona, Inc. – Buckeye, AZ</p> <p><b>Annual Contract Amount: <u>\$4,700,000.00</u></b> (City of Mesa, cumulatively not to exceed)</p>