

COUNCIL ACTION FORM

SUBJECT: LIQUID SODIUM HYPOCHLORITE PURCHASE FOR WATER AND POWER PLANTS

BACKGROUND:

This contract is for the purchase of liquid sodium hypochlorite which is used for disinfection in the water treatment process at the City Water Treatment Plant and treatment of cooling tower water at the Power Plant. The 2011/12 Water Plant operating budget includes \$45,000 for sodium hypochlorite, and the 2011/12 Power Plant operating budget includes \$65,000 for this product.

The following bids were received on May 6, 2010:

Bidder	Price/ Gallon	Total Cost 7/1/10 thru 6/30/11	Price/ Gallon	Total Cost 7/1/11 thru 6/30/12
K. A. Steel Chemicals, Inc., Lemont, IL	\$.65	\$58,500.00	\$.75	\$67,500.00
Rowell Chemical Corporation, Hinsdale, IL	.82	73,800.00	No Bid	No Bid
DPC Industries, Inc., Omaha, NE	.878	79,020.00	No Bid	No Bid
ACCO Unlimited Corporation, Johnston, IA	.98	88,200.00	No Bid	No Bid
Hawkins Water Treatment Group, Slater, IA	1.05	94,500.00	No Bid	No Bid
Municipal Water Solutions LLC, Mundelin, IL	1.07	96,300.00	No Bid	No Bid

K. A. Steel Chemicals is the only company that offered a bid on the optional extension period. The second year bid from K. A. Steel is lower than the first year bid from any other bidder. Staff believes that the price for all chemicals has increased from last year and that rebidding at this time would not bring a better price for the City. The total estimated cost shown above is the combined total for Water and Electric for the estimated quantity of 90,000 gallons for the 2011/12 contract period.

ALTERNATIVES:

1. Award a contract for the purchase of 2011/12 liquid sodium hypochlorite to K. A. Steel, Inc. of Lemont, Illinois in the amount of \$.75/gallon, for an estimated total cost of \$67,500.
2. Reject all bids and attempt to obtain the required services on an as-needed basis.

MANAGER'S RECOMMENDED ACTION:

Liquid sodium hypochlorite is an essential treatment chemical; it provides the final disinfectant barrier that keeps our drinking water and cooling tower water safe from microbial contaminants.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby awarding a contract for the purchase of 2011/12 liquid sodium hypochlorite to K. A. Steel, Inc. of Lemont, Illinois in the amount of \$.75/gallon, for an estimated total cost of \$67,500.