

COUNCIL ACTION FORM

SUBJECT: LIQUID SODIUM HYPOCHLORITE PURCHASE FOR WATER TREATMENT

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 Plant and treatment of cooling tower water at the Power Plant. The 2017/18 Water Plant operating budget of \$598,705 for water treatment chemicals and laboratory supplies includes \$37,795 for sodium hypochlorite. It also includes a contingency amount of \$23,028 to account for unknown unit chemical prices and usage. The 2017/18 Power Plant operating budget includes \$32,000 for this product and \$412,000 for all Power Plant chemicals.

The following bids were received on April 21, 2017:

Bidder	Price/Gallon	Total Cost
DPC Industries, Inc., Bellevue, NE	\$.804	\$ 88,440.00
Hawkins Water Treatment Group, Slater, IA	\$.890	\$ 97,900.00
Acco Unlimited Corporation, Johnston, IA	\$.980	\$107,800.00
Rowell Chemical Corp., Hinsdale, IL	\$ 1.10	\$121,000.00

For comparison, the current unit rate for this product is \$0.725 per gallon. The total estimated cost shown above is for the estimated combined quantity of 110,000 gallons for the 2017/18 contract period for both the Water and Power Plants.

ALTERNATIVES:

1. Award a contract for the purchase of 2017/18 liquid sodium hypochlorite to DPC Industries, Inc. of Bellevue, NE in the amount of \$.804/gallon for an estimated total cost of \$88,440.
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, as 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 as described above.