

RESOLUTION NO. R-129-18

RESOLUTION ACCEPTING BIDS FOR THE PURCHASE OF
WATER AND WASTEWATER CHEMICALS FOR 2018-2019

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY
FORT SMITH, ARKANSAS, THAT:

The Bids, as indicated by enclosure on the attached **Bid Tabulation
08-14-18BA** for the purchase of water and wastewater chemicals for 2018-2019, are
accepted.

This Resolution adopted this 4th day of September, 2018.

APPROVED:


MAYOR

ATTEST:


CITY CLERK

Approved as to form:


 No Publication Required

Publish ___ Times

Interoffice Memorandum

TO: Carl Geffken, City Administrator
COPY TO: Jerry Walters, Director of Utilities
FROM: Alie Bahsoon, Purchasing Manager *AB*
SUBJECT: 2018-2019 Water Chemical Bid Tabulation
DATE: August 24, 2018
BID TAB: 08-14-18BA



Attached you will find the bid tabulation for Treatment Chemicals for the 2018-2019 year. These chemicals will be used by the Fort Smith Water and Wastewater Departments.

In an effort to significantly reduce cost and realize efficiencies in our procurement process, we once again solicited bids by partnering with eBridge, an online service that assists buyers like the City in achieving true-market value through its competitive sourcing and online procurement system. Our traditional sealed bid process allows a vendor to submit one bid. By virtue of conducting the chemical bid through eBridge, a vendor has the opportunity to adjust their bid price during the online bid process and the City therefore benefits significantly in realizing cost reductions and procurement efficiencies through this process.

A total of 24 suppliers (25 last year) participated in this process and 863 total bids were placed (719 last year) with 276 total first-place turnovers (201 last year). As an example (see Exhibit A), four vendors were competitively bidding on Liquid Ferric Sulfate. Because of the online bid process, 250 bids were submitted (as opposed to four bids, the traditional way). While bidding, each vendor has no knowledge of their competitor's price. The vendor simply sees their current ranking and is afforded the opportunity to adjust their price. This process resulted in a total of 250 bids submitted with the 1st place turnover rate of 159 total times. Additionally, the vendor that was awarded the bid at \$239, their starting bid price was \$399 per ton and placed a total of 93 bids. The second lowest bidder submitted a total of 112 bids with a starting bid price of \$1,000 and an ending bid price of \$240 per ton. With a clear picture of where they rank in the bidding process, vendors have unlimited opportunities to lower their price. This 100% transparent process allows each vendor a fair opportunity and the end result is significant cost savings for the City.

Please note that liquid chlorine was not included in the online bid process with eBridge. Pricing was negotiated with Brenntag Southwest of Nowata, Oklahoma and is being presented for approval by way of a separate ordinance since competitive bidding had to be waived..

Although the specifications are not attached, they are available in my office should you or any members of the board wish to view them.

I am recommending that the bids noted by enclosure on the attached tabulations be accepted. Please let me know if you or any of the board members should have any questions.

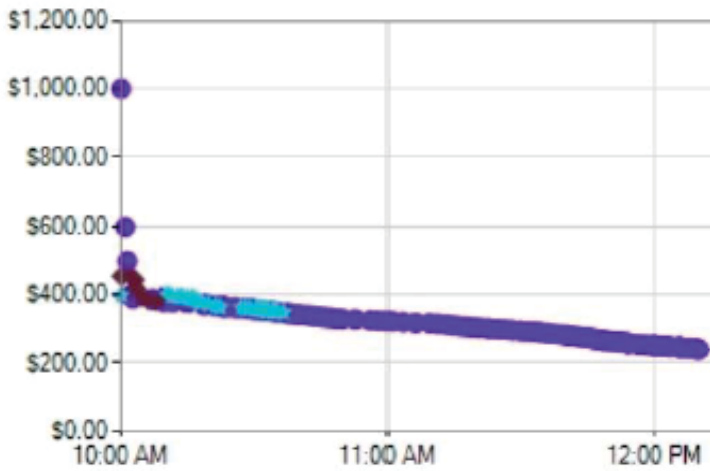
EXHIBIT A



Event Summary Report
 Water and Wastewater Treatment Chemicals 2018-2019
 Started: 8/14/2018 10:00 AM
 Ended: 8/14/2018 12:13 PM

Liquid Ferric Sulfate per Specifications, Delivered - Price per TON

Rank	Bidder	Initial Bid	Final Bid	# of Bids
1	Chemtrade Chemicals US LLC	\$399.00	\$239.00	93
2	Kemira Water Solutions	\$1,000.00	\$240.00	112
3	Thatcher Company, Inc.	\$400.00	\$349.50	37
4	Pencoco, Inc.	\$456.00	\$382.00	8



Number of Bids	250
1st Place TurnOvers	159
Est. Bid Ceiling	n/a
Est. Bid Decrement	\$0.50
Avg. Bid Decrement	\$0.00
Avg. Time Between Bids	32secs
High-Low Spread %1st-2nd:	0.42 %
High-Low Spread %Total:	37.43 %
Extension Count:	609

**City of Fort Smith Bid #08-14-18BA
2018-2019 Water & Waste Water Treatment Chemicals**

9B

Vendor	Hydrated Lime	Liquid Chlorine **	Liq. Ferric Sulfate	Potassium Perm.	SW-102 Polymer	CF-150 Polymer	Sodium Hypochlorite	Sodium Hydroxide	Sodium Bisulfite	Pow. Act. Carbon Lee Creek	Pow. Act. Carbon Lake Ft. Smith	Calcium Nitrate	Sodium Carbonate	Fluorosilicic Acid Mountainburg	Fluorosilicic Acid Lee Creek
2017-2018 Pricing	\$222.50	\$935.00	\$203.00	\$3.507	\$0.380	\$0.194	\$1.190	\$1.890	\$1.018	\$0.526	\$0.640	\$399.98	\$399.00	\$368.00	\$368.00
Unit of Measure	Ton	Ton	Wet Ton	Pound	Pound	Pound	Gallon	Gallon	Gallon	Pound	Pound	Liquid Ton	Ton	Ton	Ton
AmeriChem LLC						\$0.275									
AR Lime Co.	\$275.00														
Brenntag Southwest	\$352.50	\$925.00		\$4.848	\$0.568	\$0.3495	\$1.850	\$4.000	\$1.451	\$0.584	\$1.193		\$600.00	\$420.00	\$1,200.00
Cabot Purification										\$0.970	\$0.595				
Carmeuse Lime Inc.	\$320.62														
Carus Corporation				\$3.588											
CedarChem LLC					\$0.6025										
Chemrite Inc.												\$475.00			
Chemtrade Chemicals			\$239.00			\$0.242									
Donau Carbon *										\$0.507	\$0.5940				
Gulbrandsen Technologies						\$0.241									
Harcros Chemical													\$386.00	\$408.00	\$408.00
Jacobi Carbons Inc.										\$0.505	\$0.720				
Kemira Water Solutions			\$240.00			\$0.260									
Lhoist North America	\$307.98														
Mississippi Lime Co	\$295.80														
Oxbow Activated Carbon											\$0.751				
Pencco, Inc.			\$382.00											\$494.00	\$699.00
Prominent Systems Inc.										\$0.720	\$1.800				
PVS Chemical Solutions									\$1.819						
Southern Ionics Inc.									\$1.440						
Thatcher Company Inc.			\$349.50							\$0.600	\$0.870	\$474.22	\$395.75		
Univar USA													\$389.50	\$400.00	\$400.00
Water Tech, Inc.					\$0.525	\$0.265									
Incumbent	AR Lime	Brenntag SW	Chemtrade	Carus Corp.	CedarChem	Chemtrade	Brenntag SW	Water Tech	Chemtrade	Brenntag	Thatcher	Thatcher Co.	Harcros Chem	Harcros Chem	Harcros Chem

Price Increase/Decrease \$52.50 -\$10.00 \$36.00 \$0.0811 \$0.1450 \$0.047 \$0.660 \$2.110 \$0.422 -\$0.021 -\$0.05 \$74.24 -\$13.00 \$32.00 \$32.00

Bid Award

- * Formerly Standard Purification
- ** Negotiated price; to be approved by separate Ordinance
- Does not meet bid requirements
- Proposed award