

RESOLUTION NO. R-134-19

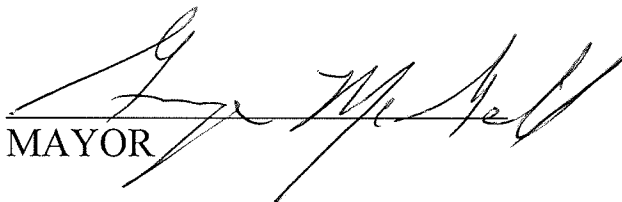
RESOLUTION ACCEPTING BIDS FOR THE PURCHASE OF WATER AND WASTEWATER CHEMICALS FOR 2019-2020

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 08-02-19BA for the purchase of water and wastewater chemicals for 2019-2020, are accepted.

This Resolution adopted this 20<sup>th</sup> day of August, 2019.

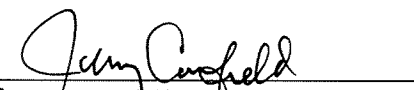
APPROVED:

  
MAYOR

ATTEST:

  
CITY CLERK

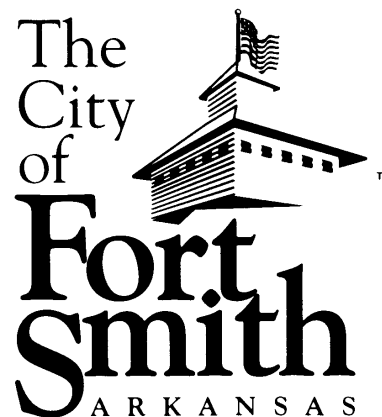
Approved as to form:

  
 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:** 2019-2020 Water Chemical Bid Tabulation  
**DATE:** August 13, 2019  
**BID TAB:** 08-02-19BA



Attached you will find the bid tabulation for Treatment Chemicals for the 2019-2020 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 22 suppliers (25 last year) participated in this process and 527 total bids were placed (863 last year) with 84 total first-place turnovers (276 last year). As an example (see Exhibit A), three vendors were competitively bidding on Liquid Ferric Sulfate. Because of the online bid process, 94 bids were submitted (as opposed to three 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 94 bids submitted with the 1<sup>st</sup> place turnover rate of 11 times. Additionally, the vendor that was awarded the bid at \$265, their starting bid price was \$400 per ton and placed a total of 9 bids. The second lowest bidder submitted a total of 9 bids with a starting bid price of \$301 and an ending bid price of \$272 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.

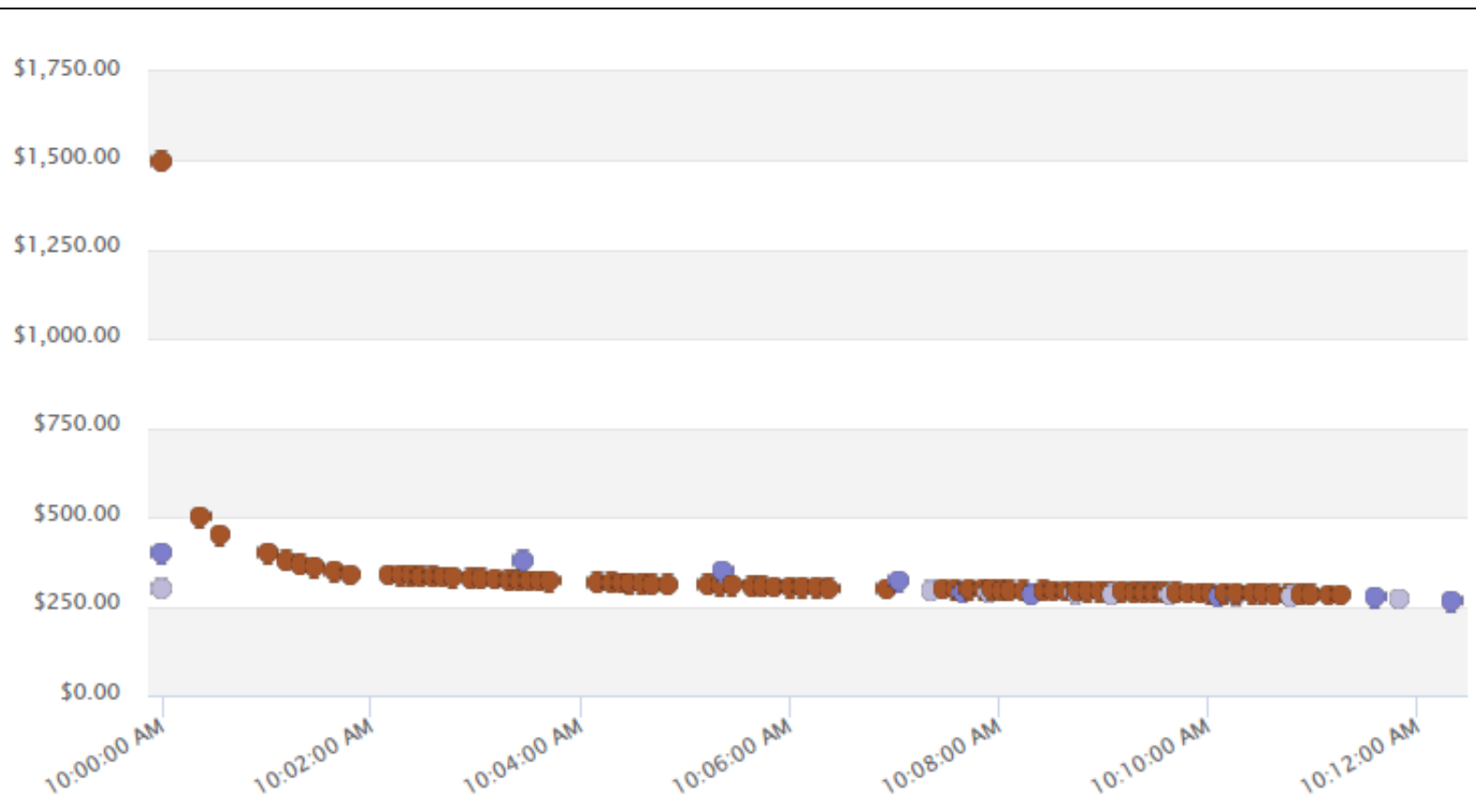


EXHIBIT A

Event Summary Report  
Water and Wastewater Treatment Chemicals 2019-2010  
Started: 8/02/2019 10:00 AM  
Ended: 8/12/2019 10:55 AM

**Liquid Ferric Sulfate - per Specifications, Delivered - Price per TON**

Rank	Company	Initial Bid	Final Bid	# of Bids
1	Chemtrade Chemicals US LLC	\$400.00	\$265.00	9
2	Pencco, Inc.	\$301.00	\$272.00	9
3	Kemira Water Solutions	\$1,500.00	\$283.00	76



**Bid Stats**

Number of bids	94
1 <sup>st</sup> Place Turnovers	11
Est. Bid Decrement	\$0.50
Avg. Time Between Bids	373 milliseconds
Extension Count	191

**City of Fort Smith Bid #08-02-19BA  
2019-2020 Water & Waste Water Treatment Chemicals**

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
2018-2019 Pricing	\$275.00	\$925.00	\$239.00	\$3.588	\$0.525	\$0.241	\$1.850	\$4.000	\$1.440	\$0.505	\$0.594	\$474.22	\$389.50	\$400.00	\$400.00
Unit of Measure	Ton	Ton	Wet Ton	Pound	Pound	Pound	Gallon	Gallon	Gallon	Pound	Pound	Liquid Ton	Ton	Ton	Ton
AR Lime Co.	\$280.00 ✓														
Brenntag Southwest		\$860.00 ✓			\$0.522	\$0.2880	\$1.800 ✓	\$4.600 ✓	\$1.317	\$0.588	\$0.850	\$465.00			
Cabot Purification										\$2.500	\$0.730				
Calgon Carbon Corp.										\$1.450	\$1.460				
Carmeuse Lime Inc.	\$345.95														
Carus Corporation				\$3.581 ✓											
CedarChem LLC					\$0.5200										
Chemrite Inc.										\$0.680	\$0.750	\$430.00			
Chemtrade Chemicals			\$265.00 ✓			\$0.2650									
Donau Carbon										\$0.587 ✓	\$0.7290 ✓				
Gulbrandsen Technologies						\$0.2480									
Kemira Water Solutions			\$283.00												
Lhoist North America	\$318.45														
Mississippi Lime Co	\$317.11														
Pencoco, Inc.			\$272.00											\$478.00	\$599.00
Prominent Systems Inc.										\$0.780					
PVS Chemical Solutions									\$2.201						
Southern Ionics Inc.									\$1.315 ✓						
Thatcher Company Inc.												\$428.95 ✓	\$400.95 ✓		
Univar USA												\$469.80	\$403.00	\$475.00 ✓	\$475.00 ✓
USALCO						\$0.2475 ✓									
Water Tech, Inc.					\$0.519 ✓										
<b>Incumbent</b>	AR Lime	Brenntag SW	Chemtrade	Carus Corp.	Water Tech	Gulbrandsen	Brenntag SW	Brenntag SW	Southern Ionics	Jacobi	Donau	Thatcher Co.	Univar	Univar	Univar

Price Increase/(Decrease)      \$5.00      (\$65.00)      \$26.00      (\$0.007)      (\$0.006)      \$0.007      (\$0.050)      \$0.600      (\$0.125)      0.082      0.135      (\$45.27)      \$11.45      \$75.00      \$75.00

✓ Bid Award

\*\* Negotiated price