

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a price agreement with **Rhodia, Inc.** for delivery of Aluminum Sulfate to the Hayden Bridge Water Filtration Plant for water treatment.

Backgrounder No

Board Meeting Date: May 5, 2009

Project or Job Name: Water Production

Project Contact: Randy Prock Ext. 5787

Purchasing Contact: Tracy Davis Ext. 3258

Action Requested:

- Contract Award
- Contract Renewal
- Contract Increase
- Other

Contract Amount:

Original Contract Amount: \$ 454,125 (estimated \$90,825/year)

Additional \$ Previously Approved: \$ N/A

Invoices over last approval: \$ N/A

Percentage over last approval: % N/A

Amount this Request: \$ 454,125

Resulting Cumulative Total: \$ 454,125

Funding Source:

- Budget
- Reserves
- New Revenue
- Bonding
- Other

Contracting Method:

Method of Solicitation: Exemption

If applicable, basis for exemption: EWEB Rule 6-0230 Water Filtration Chemicals

Term of Agreement: May 8, 2009 – May 7, 2014

Option to Renew? Yes. Renewable annually for up to 5 years

Approval for purchases "as needed" for the life of the contract Yes

Form of Contract:

- Single Purchase
- Services
- Personal Services
- Construction
- IGA
- Price Agreement
- Other

NARRATIVE:

The Board is being asked to approve a new price agreement with **Rhodia, Inc.** for delivery of Aluminum Sulfate, as needed, to the Hayden Bridge Water Filtration Plant for water treatment.

EWEB's Water Filtration Plant requires the provision of a coagulant product that will aid in clean water production; water cannot be treated without Aluminum Sulfate. The coagulant of choice for EWEB is Aluminum Sulfate; other aluminum coagulants may have unexpected consequences in the distribution of drinking water.

In the past, EWEB has experienced undesirable results with other coagulant treatment chemicals. Because EWEB's ability to successfully treat water is related to public safety, the Board approved an exemption for the purchase of Treatment Chemicals and Media for use at the Water Filtration Plant without competitive bidding. Staff has standardized on Rhodia Inc. Aluminum Sulfate to assure consistency in treatment.

If approved, the price agreement will be for one-year with an option, at EWEB's discretion, to renew for four additional one-year periods (total potential term: 5 years). This material will be purchased on an "as needed" basis to replenish stock. Exact purchase amounts are unknown and no guarantee has been made with any supplier to purchase any specific annual quantity. Historical procurement data indicates that EWEB will purchase approximately 350 tons per year for a potential annual amount of \$90,825. However, this is a requirements contract (price agreement); exact total amount of this contract is based on need and not on any specific dollar amount.

ACTION REQUESTED:

The Board is being asked to approve a new price agreement with **Rhodia, Inc.** for delivery of Aluminum Sulfate to the Hayden Bridge Water Filtration Plant for water treatment. Purchases will be made on an "as needed" basis and not for any specific quantity or dollar amount. Funds for these services were budgeted for 2009 and will be budgeted annually.

SIGNATURES:

Project Coordinator: _____

Supervisor: _____

Purchasing Manager: _____

Division Director: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____