

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new price agreement with **JCI Jones Chemicals, Inc.** for water treatment chemicals (liquid chlorine) to be used at the Hayden Bridge Filtration Plant.

Board Meeting Date: June 2, 2015

Project Name/Contract#: Liquid Chlorine for HB / #1018-2015

Primary Contact: Brad Taylor Ext. 7358

Purchasing Contact: Tracy Davis Ext. 7468

Contract Amount:

Original Contract Amount: \$ 180,000 (estimated over 3 years)

Additional \$ Previously Approved: \$ N/A

Invoices over last approval: \$ N/A

Percentage over last approval: N/A %

Amount this Request: \$ 180,000

Resulting Cumulative Total: \$ **180,000 (estimated over 3 years)**

Contracting Method:

Method of Solicitation: Direct Negotiation

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

Term of Agreement: June 5, 2015 – June 4, 2018

Option to Renew? Yes

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

NARRATIVE:

The Board is being asked to approve a new price agreement with **JCI Jones Chemicals, Inc.** of Tacoma, WA, for liquid chlorine to be used at the Hayden Bridge Filtration Plant.

EWEB's water filtration plant uses liquid chlorine in the water treatment process to treat bacteria and viruses that may cause adverse human health effects. The Environmental Protection Agency and the Oregon Health Authority mandate that EWEB maintain specified chlorine residuals throughout the water system.

The contractor provides material to the Hayden Bridge site, and the chlorine is off-loaded using onsite equipment. The contractor is required to deliver chlorine with equipment compliant with AWWA Standard B301-04 and the materials must meet specific chemical parameters.

There are a limited number of suppliers in the chemical industry. The last time purchasing issued a bid for chlorine only one company bid. Staff direct negotiated a contract with JCI Jones Chemicals based on a limited pool of suppliers, consistent pricing offered over the past 5 years, and the option for EWEB to lock in consistent pricing over the next 3 year period. Staff completed an informal market survey; chemical providers contacted did not deliver to Oregon, could not meet our demand, or could not meet the delivery requirements. Chemicals will be purchased on an "as needed" basis to meet the water plant's demands. Exact purchase amounts are unknown and no guarantee has been made to purchase any specific annual quantity. Historical procurement data indicates that EWEB purchases approximately 60 tons per year; therefore, staff estimates the total contract amount to be \$180,000 over 3 years.

ACTION REQUESTED:

Management requests the Board approve a price agreement with **JCI Jones Chemicals, Inc.** for water treatment chemicals (liquid chlorine) to be used at the Hayden Bridge Filtration Plant. Funds for this purchase were budgeted for 2015 and will be budgeted annually.

Action Requested:

Contract Award
 Contract Renewal
 Contract Increase
 Other

Funding Source:

Budget
 Reserves
 New Revenue
 Bonding
 Other

Form of Contract:

Single Purchase
 Services
 Personal Services
 Construction
 IGA
 Price Agreement
 Other

SIGNATURES:

Project Coordinator: _____

LT Manager: _____

Purchasing Manager: _____

General Manager: _____

Board Approval Date: _____

Secretary/Assistant Secretary verification: _____