

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a Price Agreement with **Northstar Chemical** for **Liquid Caustic Soda Membrane Grade 50%**.

Board Meeting Date: March 7, 2017

Project Name/Contract#: ITB 022-2017

Primary Contact: Mel Damewood Ext. 7145

Purchasing Contact: Collin Logan Ext. 7426

Contract Amount:

Original Contract Amount: \$465,000 (per five-year contract)

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0 %

Amount this Request: \$465,000

Resulting Cumulative Total: \$465,000

Contracting Method:

Method of Solicitation: Formal Invitation to Bid

If applicable, basis for exemption: N/A

Term of Agreement: 5-Years

Option to Renew? Yes

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

Proposals/Bids Received (Range): \$92,800 - \$98,560

Selection Basis: Lowest bid from most responsive, responsible bidder

Narrative:

The Board is being asked to approve a new contract with **Northstar Chemical** for **water treatment chemicals (liquid Caustic Soda)** to be purchased on an as-needed basis for use at Hayden Bridge Filtration Plant.

EWEB's Water Filtration Plant requires pH adjustment of our finished water to prevent corrosion and to meet EPA criteria for the Lead and Copper Rule and Oregon DHS mandates. Staff's sole technique for pH adjustment is the addition of Sodium Hydroxide (Caustic Soda). Sodium Hydroxide is superior to other pH adjusting chemicals, because it allows the finished water pH to be consistent, within a variance of only plus or minus 0.1.

In January 2017, EWEB issued an Invitation to Bid to establish a price agreement for the purchase of Liquid Caustic Soda Membrane Grade 50%. The solicitation was reviewed by at least nine companies. Four responses were received; Northstar Chemical was determined to be the lowest responsive and responsible bidder.

Responses were received by Northstar Chemical of Sherwood, OR; Cascade Columbia Distribution Company of Seattle, WA; JCI Jones Chemical of Tacoma, WA; and Univar of Kent, WA.

Historical procurement data suggests that the total contract amount will be approximately \$465,000 over the total five-year period. The actual total dollar amount, however, is unknown and may be more or less than that estimated volume. Purchases will be based on need and not on any specific annual quantity. The annual cost will be within the amount budgeted for that specific year.

If approved, staff will purchase liquid Caustic Soda at the established prices over the life of the contract. The contract is for one-year with the option to renew for four additional one-year periods.

ACTION REQUESTED:

Management requests the Board approve a Price Agreement with **Northstar Chemical** for **Liquid Caustic Soda Membrane Grade 50%**. Funds for this purchase were budgeted for 2017, total Water Operations department budget for 2017 is \$12.41 million.

SIGNATURES:

Project Coordinator: _____
Manager: _____
Purchasing Manager: _____
Executive Officer _____
Board Approval Date: _____