



REPORT TO COUNCIL City of Sacramento

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915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT
September 7, 2010

Honorable Mayor and
Members of the City Council

Title: Award of Contract for the Purchase of Crystalline Sodium Fluoride.

Location/Council District: Citywide

Recommendation: Adopt a **Resolution 1)** awarding a contract for the purchase of Crystalline Sodium Fluoride (Bid # B093246034) to Brenntag Pacific, Inc., in an amount not to exceed \$300,000 over a maximum potential term extending through June 30, 2013, which includes prior expenditures of \$95,000 that were previously authorized by Purchase Order #s 6695 and 11237, and 2) authorizing the City Manager or the City Manager's designee to approve up to two one-year extensions of the initial contract term, provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).

Contacts: Dave Phillips, Water & Wastewater Superintendent 808-5652
Michele Chapman, Support Services Manager 808-5653

Presenters: Not applicable

Department: Utilities

Division: Plant Services

Organization No. : 14001111

Description/Analysis:

Issue: The Department of Utilities, Plant Services Division, has an ongoing need to purchase crystalline sodium fluoride for its inventory to ensure continuation of services to its customers.

Policy Considerations: City Code Section 3.56 provides for the award of competitively bid supply contracts to the lowest responsible bidder. Brenntag Pacific, Inc. was the only responsive and responsible bidder when this contract was competitively bid as a one year contract, with up to four one year extensions, in March, 2009 (Bid # B093246034). However, at that time staff did not

recommend that the City Council award a potential multi-year contract for crystalline sodium fluoride; instead purchases of crystalline sodium fluoride from Brenntag Pacific, Inc., in the total amount of \$95,000, were authorized by Purchase Order. City Code section 3.56.080 authorizes the purchase of supplies in an amount less than \$100,000 either by award of a contract or by Purchase Order. Staff now desires to extend the purchasing term and expenditure amounts, based on Bid No. B093246034. Because this will increase the total purchase amount above \$100,000, it is necessary for the City Council to award a contract to Brenntag Pacific, Inc..

Environmental Considerations:

California Environmental Quality Act (CEQA): Continuing purchases of supplies are not a “project” and are not subject to CEQA, in accordance with Section 15378(b)(2) of the CEQA Guidelines.

Sustainability Considerations: The crystalline sodium fluoride purchased under this contract complies with Section 8 of City’s Sustainability Master Plan to continue to provide drinking water.

Commission/Committee Action: Not Applicable

Rationale for Recommendation: The Department of Utilities has a need to purchase crystalline sodium fluoride to ensure continuation of services to its customers.

In March 2009, Procurement Services, in accordance with City Code Section 3.56, issued Invitation for Bid No.B093246034 for the purchase of both liquid fluorosilicic acid and crystalline sodium fluoride; the contract term defined in the Invitation for Bid was one year, with up to four one year extensions, for a maximum contract term of five years. Two bids were received for crystalline sodium fluoride, but the only responsive and responsible bidder was Brenntag Pacific, Inc.. At that time, staff did not recommend that the City Council award a potential multi-year contract for crystalline sodium fluoride, as it was anticipated that the use of crystalline sodium fluoride would soon be replaced by liquid fluoride and the former contract for crystalline sodium fluoride had not expired. Changeover to liquid fluoride proved problematic and staff now requests award by the City Council of a multi-year contract for the crystalline sodium fluoride, based on Bid No.B093246034. Market conditions do not warrant a rebid.

The City Code requires contracts of \$100,000 or more to be awarded by the City Council. The standard practice under the City’s procurement policies is for City staff to obtain City Council approval to award potential multi-year contracts if the purchase amount over the maximum contract term (including extensions) will be \$100,000 or more, even if the amount under the initial contract term will be less than \$100,000. However, in this case, because staff did not anticipate a continued need for crystalline sodium fluoride, purchases of less than \$100,000 were authorized by Purchase Order rather than awarding a contract, which is

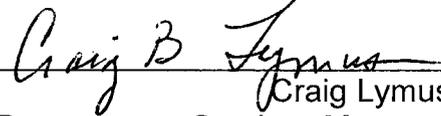
allowed under the City Code. However, to extend the purchasing amount above \$100,000, it is necessary for the City Council to award a contract authorizing the additional expenditure.

Financial Considerations: Sufficient funding is available in the Department of Utilities FY2010/11 operating budget (Fund 6005) for the purchase of crystalline sodium fluoride, under Purchase Order #s 6695 and 11237 and this contract, through June 30, 2011.

Extensions of the contract in succeeding fiscal years shall be subject to funding availability in the adopted budgets for each fiscal year.

Emerging Small Business Development (ESBD): Brenntag Pacific, Inc. is not certified as an SBE firm.

Respectfully submitted by: 
Michael Yee
Plant Services Division Manager

Respectfully submitted by: 
Craig Lymus
Acting Procurement Services Manager

Approved by: 
Marty Hanneman
Director, Department of Utilities

Recommendation Approved:

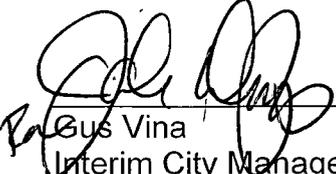

Gus Vina
Interim City Manager

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RESOLUTION NO. 2010

Adopted by the Sacramento City Council

Sept. 7, 2010

AWARD CONTRACT FOR THE PURCHASE OF CRYSTALLINE SODIUM FLUORIDE

BACKGROUND

- A. The Department of Utilities has an ongoing need to purchase crystalline sodium fluoride for their inventory to ensure continuation of services to its customers.
- B. In March 2009, Procurement Services, in accordance with City Code Section 3.56, issued Invitation for Bid No. B093246034, for the purchase of both liquid fluorosilicic acid and crystalline sodium fluoride; the contract term defined in the Invitation for Bid was one year, with up to four one year extensions, for a maximum contract term of five years. The only responsive and responsible bidder for crystalline sodium fluoride was Brenntag Pacific, Inc..
- C. At that time, staff did not recommend that the City Council award a potential multi-year contract for crystalline sodium fluoride, as it was anticipated that the use of crystalline sodium fluoride would soon be replaced by liquid fluoride and the former contract for crystalline sodium fluoride had not expired. Changeover to liquid fluoride proved problematic and staff now requests award of a multi-year contract for the crystalline sodium fluoride, based on Bid No. B093246034. To date, purchases of crystalline sodium fluoride from Brenntag Pacific, Inc., have been authorized by Purchase Order, in a total amount of \$95,000.
- D. To extend the purchasing term and increase the purchase amount, it is necessary for the City Council to award a contract to Brenntag Pacific, Inc., based on Bid No. B093246034.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. A contract for the purchase of Crystalline Sodium Fluoride (Bid # B093246034) is awarded to Brenntag Pacific, Inc. in an amount not to exceed \$300,000 over a maximum potential term extending through June 30, 2013, which includes prior expenditures of \$95,000 that were previously authorized by Purchase Order #s 6695 and 11237.
- Section 2. The initial term of the contract shall extend through June 30, 2011. The City Manager or the City Manager's designee is authorized to approve up to two one-year extensions of the contract term, provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).