

**MEMORANDUM  
COUNTY OF PLACER  
ADMINISTRATIVE SERVICES DEPARTMENT  
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors  
FROM: Brett Wood, Purchasing Manager *BW*  
DATE: January 8, 2013  
SUBJECT: Magnesium Hydroxide – Hill Brothers Chemical Company Inc.

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**ACTION REQUESTED**

1. Approve the annual renewal of a competitively bid Blanket Purchase Order (BPO) with Hill Brothers Chemical Company of Orange, CA for magnesium hydroxide for Facility Services in maximum amount of \$175,000, funded by various sewer maintenance districts & county services areas with no net County cost, for the period of January 8, 2013 to December 31, 2013, and authorize the Purchasing Manager to sign the resulting BPO.

**BACKGROUND**

On October 2, 2007 your Board approved the award of Bid No. 9726 to Hill Brothers Chemical Company. A BPO was issued to Hill Brothers for the period October 1, 2007 – September 30, 2008 and has been renewed each year since that time. BP019384 expired on December 31, 2012. The BPO includes Sewer Maintenance Districts 1 and 3, CSA 28 Zone 4 Applegate Sewer, and CSA 28 Zone 6 Sheridan Sewer

Facility Services has submitted a request to renew the BPO for another one-year term. Hill Brothers has requested a price increase of approximately 3.36% over the previous year's price. This vendor is the exclusive California distributor of the Thioguard brand product used by the department. Procurement and Facility Services staff investigated other sources of supply and found no other viable sources. The department has recommended accepting the vendor's price increase.

**FISCAL IMPACT**

The BPO resulting from this recommendation will be issued in the maximum amount of \$175,000 and will be effective from January 1, 2013 through December 31, 2013. The department's Fiscal Impact Statement is attached.

Attachment: Facility Services Fiscal Impact Statement

cc: Valerie Bayne, Administrative Services Manager, Facility Services  
Bill Zimmerman, Environmental Engineering Program Manager

## FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors  
FROM: Valerie Bayne, Administrative Services Manager  
DATE: January 8, 2013  
SUBJECT: **Fiscal Impact Statement**  
Magnesium Hydroxide

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The Department of Facility Services requires an annual blanket purchase order for the purchase of Magnesium Hydroxide. The Environmental Utilities Division utilizes this BPO for wastewater treatment and it is a necessary chemical to maintain a stable PH.

The total amount of the Magnesium Hydroxide BPO is \$175,000 and the Department has budgeted appropriately for this expense in the Sewer Maintenance Districts 1, and 3, CSA 28 Zone 24 Applegate Sewer and CSA 28 Zone 6 Sheridan Sewer. There is no net County cost since these budgets are in an Enterprise Fund.