

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

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager
DATE: June 3, 2014
SUBJECT: Liquid Coagulant Polymer – Calchem Enterprises LLC

ACTION REQUESTED

1. Approve the renewal of a competitively bid blanket purchase order with Calchem Enterprises LLC of Modesto, CA, for the purchase of liquid coagulant polymer in the maximum amount of \$150,000, funded by Facility Services' Sewer Maintenance Districts and Sewer County Service Areas budgets with no net County cost, for the period of July 1, 2014 through June 30, 2015, and authorize the Purchasing Manager to sign the resulting blanket purchase order.

BACKGROUND

The Department of Facility Services has a continuing need for the purchase of liquid coagulant polymer for use in its wastewater treatment plants. On July 7, 2009 your Board approved the award of competitive Bid No. 9891 to Calchem Enterprises. The resulting blanket purchase order (BPO) has been renewed annually since that time. Most recently, on July 9, 2013, your Board approved the renewal of a BPO and authorized the Purchasing Manager to sign the resulting BPO effective July 1, 2013 through June 30, 2014.

The department has indicated that service has been good and the provisions of the existing contract still meet their needs. The vendor has agreed to renew for another year at the exact same pricing and terms. The vendor has held the same bid price since the original award in 2009, even though an analysis of the Producer's Price Index for this commodity shows that market pricing is quite volatile. Procurement recommends renewal of this BPO based on this analysis. Section 1.3(o) of the Purchasing Policy Manual permits renewal of BPOs on a year to year basis if it makes good business sense, based on reasonable pricing and terms. The resulting BPO will be effective from July 1, 2014 through June 30, 2015.

Your Board's approval is required to proceed with a new one-year BPO in the maximum amount of \$150,000 and to authorize the Purchasing Manager to sign the resulting BPO.

FISCAL IMPACT

Upon your Board's approval, a new BPO will be issued to Calchem Enterprises in the maximum amount of \$150,000 for the period of July 1, 2014 through June 30, 2015. The department has budgeted appropriately for these expenses in the department's FY2014-15 proposed budget.

cc: Valerie Bayne, Administrative Services Manager - Facility Services
Bryan Kangas, Supervising Wastewater Treatment Plant Operator - Facility Services

