

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

TO: Honorable Board of Supervisors  
FROM: Brett Wood, Purchasing Manager  
DATE: January 5, 2016  
SUBJECT: Magnesium Hydroxide – Hill Brothers Chemical Co., Inc.

---

**ACTION REQUESTED**

Approve the annual renewal of a competitively awarded Blanket Purchase Order with Hill Brothers Chemical Co., Inc. of Orange, CA for the purchase of magnesium hydroxide for Public Works and Facilities in the maximum amount of \$175,000, for the period of January 1, 2016 through June 30, 2016. Funding is provided by the Department of Public Works and Facilities FY 2015-16 Final Budget and FY 2016-17 Requested Budget.

**BACKGROUND**

The Department of Public Works and Facilities' (DPWF) Utilities Division continues to require a 6-month blanket purchase order (BPO) for the purchase of magnesium hydroxide for use in the County's wastewater treatment plant until the plant's permanent closure. Magnesium hydroxide is used to maintain a stable PH for wastewater treatment.

On February 3, 2015, your Board approved the award of a BPO to Hill Brothers Chemical Company to furnish and deliver magnesium hydroxide. The BPO expired December 31, 2015. DPWF has been satisfied with the vendor's performance and has indicated that this BPO continues to satisfy their operational needs. Hill Brothers Chemical Company has agreed to renew the BPO for 6 months until the closure of the treatment plant. Procurement negotiated the minimum order quantity down from 4,000 gallons to 3,500 gallons at a price of \$3.35 per gallon. The 3,500-gallon minimum order quantity is below the County's historic average order of 3,820 gallons and will result in approximate savings of \$323.00 per order. Section 22 of the BPO's General Terms and Conditions allows the County to renew the BPO on a year-to-year basis upon satisfactory negotiation of the renewal pricing, terms, and conditions.

Therefore your Board's approval is required to award a new 6-month BPO in the department's requested maximum amount of \$175,000 for the period of January 1, 2016 through June 30, 2016.

**FISCAL IMPACT**

The amount of the Blanket Purchase Order with Hill Brothers Chemical Co., Inc. is \$175,000 and is included in the FY2015-16 Final Budget for Sewer Maintenance District 1

cc: David Atkinson, Utility Program Manager, Department of Public Works and Facilities  
Valerie Bayne, Administrative Services Manager, Department of Public Works and Facilities

