

Staff Report

File #: 20-955A, Version: 1

Subject:

Award of bid to Premier Magnesia LLC for magnesium hydroxide and equipment services.

Recommended Action:

Approval of the award of bid to Premier Magnesia LLC for magnesium hydroxide and equipment services.

- This five-year contract provides an all-inclusive odor and corrosion control program utilizing Magnesium Hydroxide to the Utilities Department on an as-needed basis.
- Total estimated expenditure for the five years in the amount of \$7,714,476.00.
- One bid was received with award recommendation to the lowest responsive, responsible bidder.
- While other vendors do sell magnesium hydroxide, Premier Magnesia is the only vendor that provides all the equipment associated with injecting the product. Purchasing the equipment separately would be costly both from an acquisition and maintenance perspective.

Bid No. 190-0480-B(JA); in an estimated annual amount of \$1,542,895.20 for a five-year term total of \$7,714,476.00 on the basis of being the lowest responsive, responsible bid received meeting specifications. Authorize the Chairman to sign and the Clerk of the Circuit Court to attest.

Strategic Plan:

Deliver First Class Services to the Public and Our Customers 5.2 Be responsible stewards of the public's resources

Summary:

This contract provides delivery of an all-inclusive odor and corrosion control program utilizing Magnesium Hydroxide to various Utilities facilities on an as-needed basis.

Bid pricing was requested for the entire five (5) year term.

Background Information:

On June 19, 2020, the Purchasing Department, on behalf of the Utilities Department, released an invitation to bid with the intent to establish a contract for an all-inclusive odor and corrosion control program utilizing Magnesium Hydroxide. This contract replaces a current contract that expires on November 14, 2020.

The Utilities Department requires a firm to supply all the equipment necessary for the injection of this chemical. While there are other vendors that sell magnesium hydroxide, Premier Magnesia is the only vendor that provides all the equipment associated with injecting the product. Purchasing the equipment separately would be costly both from an acquisition and maintenance perspective.

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Fiscal Impact:

Estimated expenditure not to exceed:	\$7,714,476.00
Estimated annual expenditure not to exceed:	\$1,542,895.20

Funding is derived from the Sewer Revenue & Operating Fund.

Staff Member Responsible:

Megan Ross, Director, Utilities Merry Celeste, Director, Purchasing and Risk Management, Administrative Services

Partners:

N/A

Attachments:

Services Agreement Bid Tabulation