



AGENDA ITEM FORM

SUBJECT: 2018 Water Treatment Chemicals – Analysis of Bids and Authorize Execution of Lime Contract

SUMMARY:

- Summary of the two lime bids that were received is given below for both of our softening treatment plants. Prices shown are for bottom drop truck delivery. Prices were also provided by potential suppliers for pneumatic delivery, but pneumatic delivery is only done during emergency situations. Bid analysis was completed based upon bottom drop delivery pricing.

Vendor	Fleur & McMullen (\$/Ton)	Fleur (\$/Ton)	McMullen (\$/Ton)
Mississippi Lime Company	\$149.00	\$164.95	\$164.95
Linwood Mining & Minerals Corporation	No Bid	\$135.00	No Bid

- There are effectively two options for consideration. One is to allow Mississippi to provide both plants at \$149/ton. The second is to supply Fleur with Linwood at \$135/ton and to supply McMullen with Mississippi at \$164.95/ton. Analysis of those two options is summarized below and it takes into account the different volumes of water to be treated at each plant, the purity difference between the two products, and the costs to remove inert materials from each product via our lime sludge dewatering process at the Fleur Plant.

		2018 Lime Bid Analysis				
		Price/Ton	Dosage(mg/L)	Pounds/Year	Tons/Year	Cost/Year
Fleur Pumpage (MG)	9,895					
McMullen Pumpage (MG)	4,800					
Options	Bidder					
Option #1 Linwood & Mississippi	Linwood @ FDWTP	\$135.00	280.5	23,148,066	11,574	\$1,562,490.00
	Mississippi @ MWTP	\$164.95	210	8,406,720	4,203	\$693,284.85
	FDWTP - Sludge (15% Inerts)	\$19.82			3,472	\$68,815.04
	Total Option #1					\$2,324,589.89
Option #2 Mississippi @ Both Plants (12.7% Less Mississippi Tonnage)	Bidder	Price/Ton	Dosage(mg/L)	Pounds/Year	Tons/Year	Cost/Year
	Mississippi @ FDWTP	\$149.00	245	20,218,454	10,109	\$1,506,241.00
	Mississippi @ MWTP	\$149.00	210	8,406,720	4,203	\$626,247.00
	FDWTP - Sludge (5% Inerts)	\$19.82			1,011	\$20,038.02
Total Option #2					\$2,152,526.02	

- Staff recommends award of the 2018 Lime contract for both the Fleur Drive and McMullen Water Treatment Plants to Mississippi Lime Company.
- There are additional benefits associated with the use of Mississippi product at the Fleur Plant that involve reduced maintenance expenses and enhanced water treatment plant operations. Water Production staff will continue to make observations and measurements throughout 2017 and 2018 to better understand these elements.

FISCAL IMPACT:

The 2018 budget for Water Treatment Chemicals project will provide the funds for the estimated annual cost of \$2,132,488.00 (\$2,152,528.02 in total, less \$20,038.02 estimated for the inert removal).

RECOMMENDED ACTION:

Award the 2018 Lime Contract to Mississippi Lime Company the amount of \$2,132,488.00.

BOARD REQUIRED ACTION:

Motion to award the 2018 Lime Contract to Mississippi Lime Company the amount of \$2,132,488.00.

_____ / _____ Julia Johnston (date) Purchasing/Central Stores Supervisor	_____ / _____ Michael J. McCurmin, P.E. (date) Director of Water Production	_____ / _____ William G. Stowe (date) CEO and General Manager
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