



# CITY OF FERNLEY

## CITY COUNCIL AGENDA REPORT

Meeting Date: August 5, 2020

**REPORT TO:** Mayor and City Council  
**REPORT THRU:** Daphne Hooper, City Manager  
**REPORT FROM:** Barry Williams, Deputy Public Works Director  
**REVIEWED BY:** Brandi Jensen, City Attorney  
**REVIEWED BY:** Denise Lewis, City Treasurer

**FINANCIAL IMPACT:**

Yes:  No:

**CURRENTLY BUDGETED:**

Yes:  No:

**FUND/ACCOUNT:**

510-810-617  
520-810-617  
510-840-617

**ACTION REQUESTED:**  Consent  Ordinance  Resolution  Motion  Receive/File

**AGENDA ITEM: (Possible action)** Approve award of 2020-2021 Chemical Supplier Contract to Thatcher Company of Nevada, Inc. in amount not to exceed the bulk price per gallon listed in the submitted bid document for each chemical supplied.

**Agenda Item Brief:** This is an annual contract award for Chemical Supplies to various Public Works facilities. This contract is renewed on an annual basis and helps the City to lock in prices for the year and allow for more accurate budgeting. This contract was advertised for bid in accordance with NRS and one responsible bid was received.

**Recommended Motion:**

“I move to approve award of 2020-2021 Chemical Supplier Contract to Thatcher Company of Nevada, Inc. in amount not to exceed the bulk price per gallon listed in the submitted bid document for each chemical supplied.”

- A Business Impact Statement is Attached.
- A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

See attached report for background, analysis, alternatives.

## **ALTERNATIVES:**

## **BACKGROUND:**

This is a contract award for the supply of chemicals for the Public Works Department. The scope of this contract will include the supply and delivery of various chemicals to various Public Works facilities.

Chemicals are required for the treatment of water and wastewater. Wastewater uses sodium hypochlorite as a final disinfectant for treated effluent leaving the plant. Water distribution uses sodium hypochlorite at the wellheads to begin the treatment process for drinking water. The Water Treatment Plant uses sodium hypochlorite, ferric chloride, sodium hydroxide, and citric acid in its treatment process and operation.

Due to recent market fluctuations caused by the COVID-19 pandemic, staff was unable to secure pricing for chemicals on a bi-ennial basis as in the past. Due to the extreme market fluctuations, staff has changed the contract term to be reviewed and renewed on an annual basis until market prices stabilize.

## **PRIOR COUNCIL ACTION**

**June 20, 2018**, Possible award of 2018-2020 bi-ennial chemical supplier contract to Thatcher Company of Nevada, Inc. **Motion passed.**

## **LEGAL IMPLICATIONS:**

Nevada Statutes: NRS 332.039 Advertisements or Requests for Bid on Contract.

Public Works advertised for bids on the City of Fernley website, in the Reno Gazette Journal, and the Mason Valley News on 06/03/2020. Closing Date 06/30/2020. We received two (2) bid proposals. The apparent low responsible bidder is Thatcher Company of Nevada. The bid summary is as follows:

- 1. Thatcher Company of Nevada, Inc.**
  - Sodium Hypochlorite: \$2.50/gallon
  - Ferric Chloride: \$3.10/gallon
  - Sodium Hydroxide: \$1.8935/gallon
  - Citric Acid: \$6.9405/gallon

Thatcher Company of Nevada, Inc. was the lowest responsible bid received for the Annual Chemical Supplier Contract.

## **FINANCIAL IMPLICATIONS:**

## **ATTACHMENTS:**

- 1.) City of Fernley Standard Contract
- 2.) Bid Opening Table
- 3.) Bid Specifications