



Financial Services Group
Procurement
 735 Randolph Street, Suite 1508
 Detroit, Michigan 48226
 Phone: 313-964-9157

Procurement Report

Date: June 26, 2019
To: Sue McCormick, Chief Executive Officer
From: Dan Edwards, Procurement Manager
Re: Procurement Report

General Information			
Contract Number:	1803685	Project Owner:	Yao Kouassi
Contract Title:	Aluminum Sulfate		
Vendor:	Chemtrade Chemicals US LLC		
Budget:	Operations and Maintenance		
Contract Length:	Three Years with Two One-Year Renewal Options		

Procurement Method

Competitively bid – Request for Bid (RFB) Lowest responsive and responsible vendor			
Advertised:	March 19, 2019	Addendums released:	0
Distributed to:	18	Downloaded by:	18
Response due date:	April 30, 2019	Responses received:	1

Cost Schedule

Aluminum Sulfate	
Chemtrade Chemicals US LLC	\$9,953,250.00

This contract is calculated using a unit price of \$288.50 per ton.

Other Data Requested by GLWA Board Members

Minority Business Enterprise (MBE): N/A
 Detroit Based Business (DBB): N/A
 Small Business Enterprise (SBE): N/A

Sub-Contractor(s) List: N/A

Vendor Response Survey: Attached



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Litigation

This vendor is not currently nor has been previously involved in any litigation with the GLWA.

Financials

A financial risk assessment was performed by the GLWA via Dun & Bradstreet and was determined that the selected vendor has the financial capacity to perform the tasks under this contract. This information is available for the Board of Directors to review upon request.

Previous Contract

Previous contract holder: Chemtrade Chemicals

The original blanket contract was DWSD Contract No. 2907872 for Four (4) years in the amount of \$3,668,960.00 in 2015. A new GLWA Contract No. 3196 for Aluminum Sulfate was created for the remaining three (3) years covering the period 8/5/2016 through 4/30/19 for all of the water plants at \$204.00 per ton. (See attached correspondence from Chemtrade Chemicals for a detailed explanation for the price increase).

Additionally, in January 2018, the Springwells Water Treatment Plant put their filter plant back in service after a three-year renovation, therefore, increasing per ton usage. During the three years prior to this time (2014-2017) the renovation at Springwells decreased the usage. With all of the water treatment plants currently on line, the usage has returned to 2014 levels, which in turn increased the unit costs.

When the RFB was posted in 2015, there were four respondents, PVS Chemicals, Chemtrade, Univar, Kemira.

PVS Chemicals after losing the last contract decided not to continue providing aluminum sulfate. Univar and Kemira just decided not to bid again.