



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

Procurement Report

Date: November 27, 2019
To: Sue McCormick, Chief Executive Officer
From: Dan Edwards, Procurement Manager
Re: Procurement Report

General Information			
Contract Number:	1903389	Project Owner:	Multiple (Yao Kouassi, Andrew Ross, Annie Philip, Pawan Kapila)
Contract Title:	Phosphoric Acid 75%		
Vendor:	PVS Nolwood Chemicals, Inc.		
Budget:	Operations and Maintenance		
Contract Length:	3 years plus two (1) year renewal options		

Procurement Method

Competitively bid – Request for Bid (RFB) Lowest responsive and responsible vendor			
Advertised:	9-11-19	Addendums released:	0
Distributed to:	17	Downloaded by:	8
Response due date:	10-9-19	Responses received:	5

Cost Schedule

PVS Nolwood Chemicals, Inc.	
Description	Cost per gallon
Phosphoric Acid 75%	5.84

Benchmarking was completed by comparing the bids for this project. This analysis confirmed that rates are in competitive range. The rate comparisons and allowances (if any) are illustrated in the attached document labeled bid tabulation.

Other Data Requested by GLWA Board Members

Minority Business Enterprise (MBE): No
 Detroit Based Business (DBB): No
 Small Business Enterprise (SBE): No

Sub-Contractor(s) List: N/A
 Vendor Response Survey: N/A



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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: PVS Nolwood Chemicals, Inc.

The previous contract, 2915981, Phosphoric Acid 75%, was for the period of 11/15/2014 through 11/14/2019, for \$7,696,470.00. The contract amount differences between the two contracts is provided in the table below.

Phosphoric Acid Previous Contract Comparison								
Plant	Requisition Number	Budget	Average Monthly Usage	Annual Usage	Current Price/Gal.	New Price/Gal	Savings/Mo. (based on current average usage)	Savings/Year (based on current average usage)
Springwells	1903389	\$ 434,000.00	5,000	60,000	\$ 7.24	\$ 5.84	\$ 7,000.00	\$ 84,000.00
Northeast	1903123	\$ 282,360.00	3,250	39,000	\$ 7.24	\$ 5.84	\$ 4,550.00	\$ 54,600.00
WWP	1903337	\$ 238,920.00	2,750	33,000	\$ 7.24	\$ 5.84	\$ 3,850.00	\$ 46,200.00
Lake Huron	1901725	\$ 246,160.00	2,833	34,000	\$ 7.24	\$ 5.84	\$ 3,966.67	\$ 47,600.00
Southwest	1903335	\$ 144,800.00	1,667	20,000	\$ 7.24	\$ 5.84	\$ 2,333.33	\$ 28,000.00
		\$ 1,346,240.00	15,500	186,000			\$ 21,700.00	\$ 260,400.00