DEPARTMENT OF PROCUREMENT SERVICES



Date:

March 17, 2008

To:

John F. Spatz, Jr., Commissioner

Department of Water Management

Attn:

Felicia Rawlings,

Supervisor of Contracts

From:

Montel M. Gayles

Chief Procurement Officer

Re:

Emergency Purchase Authorization

Vendor Number:

1061895

Amount:

\$249,993.64

PO Number:

17130

RX Number: 37329

Pursuant to Section 2-92-644 of the Municipal Purchasing Act, I am authorizing you to make an Operational Emergency purchase of Liquid Blended Phosphate and Phosphoric Acid from Carus Chemical Company based upon information received from members of your staff, I have determined that this procurement is necessary to meet a bona fide operating emergency.

You are hereby authorized to procure 'Liquid Blended Phosphate and Phosphoric Acid' in the amount of \$249,993.64 as requested in your letter dated March 11, 2008. Any amount in excess of the \$249,993.64 herein will be subject to additional authorization and will be limited so as not to exceed the \$250,000.00 limit established by statute.

cc:

Judy Martinez

Gustavo Giraldo

Claude Humphrey

Lorel Blameuser

Water Management - Felicia Rawlings

Scan

File (Specification Number: 64245)





City of Chicago Richard M. Daley, Mayor

Department of Water Management

John F. Spatz, Jr. Commissioner

Bureau of Administrative Support

Beverly J. Ingram Deputy Commissioner

DePaul Center, Suite 410 333 South State Street Chicago, Illinois 60604 (312) 747-7030 (312) 747-7078 (FAX)

http://www.cityofchicago.org/ watermanagement

Finance Section (312) 747-8112 (312) 747-7078 (FAX)

Human Resources (312) 747-7898

(312) 747-0620 (FAX) Information Technology

(312) 747-7042 (312) 747-8123 (FAX)

Labor/Employee Relations (312) 747-8037 (312) 747-0838 (FAX)

Payroll Section

(312) 747-7932 (312) 747-0228 (FAX)

Procurement Section (312) 747-0871 (312) 745-4588 (FAX)

8 MAR 12 53 10:53



MEMORANDUM

Date:

March 11, 2008

To:

Montel Gayles

Chief Procurement Officer

Department of Procurement Services

From:

John F. Spatz, Jr.

Commissioner

Department of Water Management

Subject:

Request for Emergency Authorization (Rx 37329)

Liquid Blended Phosphate

The Department of Water Management is requesting an emergency contract for Liquid Blended Phosphate. On 9/19/07, two bids were received from Carus Chemical Company and Shannon Chemical Corporation. On 11/16/07, a recommendation of award was submitted to DPS for the lowest bidder, Carus Chemical Company. After ongoing compliance issues with Carus, which were ultimately resolved, DPS requested a letter from Carus to extend their pricing. On 1/24/08, Carus Chemical Company contacted DPS and advised that they could not hold their prices. On 1/30/08, DWM met with DPS and decided that DPS would contact second lowest bidder, Shannon Chemical Corporation, to see if they would extend their prices. Unfortunately, Shannon Chemical Corporation advised DPS that they could not extend their prices as well.

After discussions/meetings between DPS and Water Management, it was decided that DWM should submit an emergency request for our immediate needs and DPS would re-advertise the large contract to include revised price escalation/price reduction language. On 3/4/08, DWM forwarded changes to specification and is currently waiting for revised draft from DPS.

Additionally, because this emergency is only for approximately \$250,000, which would only account for no more than a 60 day supply, there may be a need for additional emergencies depending on the re-advertisement time schedule and bid opening date. Currently, Water Management has a 23 day supply at our South Plant and a 40 day supply at Jardine. EPA guidelines require us to have a 30 day supply on hand.

We have solicited quotations from various vendors who provide the equivalent or like services. We are recommending award be made to Carus in the amount of \$249,993.00. Attached is the DPS checklist, requisition 37329 and quotations



from Carus Chemical Corporation, Shannon Chemical Corporation, and responses from other vendors.

Thank you in advance for your assistance. If you have any questions, please contact Felicia Rawlings, Supervisor of Contracts at 745-0581.

cc: Julie Hernandez-Tomlin Beverly Ingram Dennis Leonardo Jeff Sebek



City of Chicago 333 South State Street Room 410 Chicago, Illinois 60604 Attn: Ms. Felicia Rawlings

February 29, 2008

Dear Felicia:

Re: RFQ. NO: 2664 Liquid Blended Phosphate and Phosphoric Acid

Below are the emergency prices for the products quoted to you on the last Bid:

Carus 8400 (Carus F-25-S) \$ 3.58/gal Carus Ortho (phosphoric acid-bulk) \$ 2.89/gal Carus Ortho (phosphoric acid-totes) \$ 3.60/gal

Due to the volatility of the phosphate market, we are holding these prices firm only thru June 30, 2008 which should fulfill your needs since it is our understanding that a new Bid should be completed by this point in time.

Sincerely:

William F. Mersch General Manager



