



## LEGISLATIVE MEMORANDUM

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Suzanne Sherman, City Manager

**THRU:** Christopher A. Little, P.E., Utilities Director

**DATE:** March 21, 2024

**RE:** Contract: Sulfuric Acid, purchasing authority - Utilities Department (Sulfuric Acid Trading Company - \$150,000).

### SUMMARY:

On April 21, 2022, the Chief Procurement Officer approved the award of Quote #34-0-2022/SZ, for Sulfuric Acid to Sulfuric Acid Trading Company (SATCO), for a one-year term, with the option to renew for four additional one-year terms. The contract began on April 21, 2022 and ended on April 20, 2023. The contract has been renewed and we are currently in the second renewal term that will end on April 20, 2025. There have been no price increases on this contract.

At the time of award, the estimated annual expenditure was under the \$100,000 threshold that would require council approval. The estimated annual expenditures are now expected to exceed \$100,000. The increase in expenditures is due to increased potable water production at the water treatment plants.

The Utilities Department anticipates the annual expenditures, for the contract duration, to exceed \$100,000 annually, for a revised estimated annual expenditure of \$150,000.

### REQUESTING DEPARTMENTS:

Utilities  
Procurement

### FISCAL IMPACT:

Funding is available in Utilities Operating Funds 421-8023-533-5202 and 421-8024-533-5202. The total revised estimated annual expenditure will be \$150,000. Purchase orders are issued on an "as needed" basis.

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**STAFF RECOMMENDATION:**

Motion to approve the increase in annual purchasing authority to \$150,000, for contract #34-0-2022 for the purchase of Sulfuric Acid from Sulfuric Acid Trading Company.

**ATTACHMENTS:**