



Meeting Date: 09/23/08

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Anthony Emmert Agenda Item No. I-11
 Reviewed By: City Manager [Signature] City Attorney [Signature] Finance [Signature] Public Works [Signature]

DATE: September 12, 2008

TO: City Council

FROM: Mark S. Norris, Assistant Public Works Director [Signature]
Public Works Department, Utilities Services Branch

SUBJECT: Agreement with JCI Jones Chemicals for Chemical Supply and Delivery of Sodium Hypochlorite and Sodium Hydroxide to the Water Campus

RECOMMENDATION

That City Council approve and authorize the Mayor to execute an agreement with JCI Jones Chemicals Agreement Number A-7092 for chemical supply and delivery of Sodium Hypochlorite and Sodium Hydroxide.

DISCUSSION

The City's Purchasing Division and Water Resources Division prepared a competitive Request for Bid for three (3) water chemicals, sodium hypochlorite, aqueous ammonia and sodium hydroxide. It was distributed to six (6) regional chemical supply companies. Only 1 vendor responded for aqueous ammonia chemical, therefore the agreement has been routed. Three (3) out of the six (6) companies responded for sodium hypochlorite; JCI Jones Chemical, Miles Chemicals and Basic Chemical Solutions. Two (2) out of the six (6) companies responded for sodium hydroxide; JCI Jones Chemicals and Basic Chemical Solutions. However, JCI Jones was the lowest bidder for both chemicals therefore; the department recommends that the City awards JCI Jones Chemicals the contract for supply and delivery of sodium hypochlorite and sodium hydroxide.

Sodium hydroxide, sodium hypochlorite and aqueous ammonia are essential chemicals used in the treatment and delivery processes of Oxnard's local well water. During Reverse Osmosis, water treatment pH levels are reduced, making the water more corrosive. Sodium hydroxide is added to raise the pH level to make it less corrosive. Sodium hypochlorite is added to permeate the water leaving the Reverse Osmosis membranes, and prior to the water storage tank, to prevent bio-films in the tank. Sodium hypochlorite and aqueous ammonia are added to the well which permeates water just before leaving the treatment plant to form chloramines (a long lasting form of disinfectant) to maintain at least a 0.2 mg/l chlorine residual throughout Oxnard's water distribution system as required by the California Department of Public Health.

Agreement with JCI Jones Chemicals for
Chemical Supply and Delivery
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FINANCIAL IMPACT

This contract is for one (1) year and has the option for two one (1) year extensions for a total of three (3) years for a total cost not to exceed \$998,000. The cost of the Agreement will not exceed \$332,667 annually. There are sufficient funds in the Fiscal Year 2008/2009 Budget in Account No. 601-6001-843-8109 to cover these costs.

AAE:js
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Attachment #1 Agreement Number A-7092 for Chemical Supply and Delivery of Sodium Hypochlorite and Sodium Hydroxide Services Between JCI Jones Chemicals and City of Oxnard

Note: Agreement Number A-7092 Agreement for Chemical Supply and Delivery of Sodium Hypochlorite and Sodium Hydroxide Between JCI Jones Chemicals and City of Oxnard has been provided to the City Council. Copies are available for review at the Circulation Desk in the Library after 6:00 p.m. on the Thursday prior to the Council meeting and at the City Clerk's Office after 8:00 a.m. on Monday.

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AGREEMENT FOR TRADE SERVICES
(Includes Living Wage Requirements Effective from 7/1/08)
Contract No. A-7092

This Agreement for Trade Services ("this Agreement") is entered into in Ventura County, California, this 23rd day of September, 2008, by and between the City of Oxnard ("City") and JCI Jones Chemicals, ("Vendor"), subject to the following terms and conditions:

1. Vendor shall provide and deliver Sodium Hypochlorite and Sodium Hydroxide to City.
2. Vendor shall provide such services promptly and in any event, no later than four days as requested by the City. Vendor shall be excused for delays resulting from causes beyond the control of the Vendor.
3. This Agreement shall begin on September 23, 2008, and shall end on August 31, 2009. City may terminate this Agreement at any time, with or without cause, by giving written notice to Vendor, specifying the effective date of termination. Unless City asserts that Vendor has breached the Agreement, City agrees to pay Vendor in full for all services satisfactorily performed as of the effective date of termination, including any expenditures incurred on City's behalf, whether for the employment of third parties or otherwise. If City pays for any materials, City shall be entitled to the title and possession of such materials.
4. City shall pay Vendor in an amount not to exceed \$332,564 provided under this agreement, in accordance with the rates as more particularly set forth in Exhibit A attached hereto and incorporated by this reference in full herein.
5.
 - a. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit I. While this Agreement is in effect, Vendor shall pay such employee no less than \$13.74 per hour for each hour that such employee provides services under this Agreement. This hourly rate shall be adjusted on July 1, 2009, and each July 1 thereafter, according to the percentage change in the Consumer Price Index, all items, prepared by the Bureau of Labor Statistics for the Los Angeles, Riverside, Orange County area relating to all urban consumers (CPI-U), index base 1967 + 100, comparing May of the previous year to May of the current year. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.
 - b. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by the Oxnard City Council on July 9, 2002 and effective October 1, 2002.
 - c. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.

d. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of \$500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

6. Vendor agrees to indemnify, hold harmless and defend City, its City Council, and each member thereof, and every officer, employee, representative or agency of City, from any and all liability, claims, demands, actions, damages (whether in contract or tort, including personal injury, death at any time, or property damage), costs and financial loss, including all costs and expenses and fees of litigation or arbitration, that arise directly or indirectly from any acts or omissions related to this Agreement performed by Vendor or Vendor's agents, employees, subconsultants, subcontractors, or other persons acting on Vendor's behalf. This agreement to indemnify, hold harmless and defend shall apply whether such acts or omissions are the product of active negligence, passive negligence, or acts for which Vendor or Vendor's agents, employees, subconsultants, subcontractors, or other persons acting on Vendor's behalf would be held strictly liable.

7. Insurance

a. Vendor shall obtain and maintain during the performance of any services under this Agreement the insurance coverages specified in Exhibit INS-I, attached hereto and incorporated herein by reference, issued by a company satisfactory to the Risk Manager, unless the Risk Manager waives, in writing, the requirement that Vendor obtain and maintain such insurance coverages.

b. Vendor shall, prior to performance of any services, file with the Risk Manager evidence of insurance coverage as specified in Exhibit INS-I.

c. Maintenance of insurance coverages by Vendor is a material element of this Agreement. Vendor's failure to maintain or renew insurance coverages or to provide evidence of renewal may be considered a material breach of this agreement.

8. In performing services under this Agreement, Vendor is an independent contractor. Vendor and Vendor's agents, employees, subcontractors and other persons acting on Vendor's behalf are not officers or employees of City.

9. Vendor shall not, without the written consent of City's Purchasing Officer, assign this Agreement, or any interest therein, or any money due thereunder.

10. In providing services under this Agreement, Vendor shall comply with all applicable laws, ordinances and regulations. Before providing services under this Agreement, Vendor shall obtain all required licenses and permits, including a City business license.

11. This Agreement may be amended only by a written document signed by both City and Vendor.

12. Any notices to Vendor may be delivered personally or by mail addressed to: JCI Jones Chemicals, Inc., 1819 Main St., Suite 1100, Sarasota, FL 34236, Attn: Lorraine Constatino Any notices to City may be delivered personally or by mail addressed to: City of Oxnard – Water Section, 251 South Hayes Avenue, Oxnard, CA 93035, Attn: David Birch.

13. This Agreement constitutes the entire agreement of City and Vendor regarding the subject matter described herein and supersedes all prior communications, agreements and promises, either oral or written.

CITY OF OXNARD

VENDOR

Dr. Thomas E. Holden, Mayor

Lorraine Constatino
Lorraine Constatino, National Sales Coordinator

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:

Alan Holmberg, Acting City Attorney

APPROVED AS TO INSURANCE:

Belk for
James Cameron, Risk Manager

APPROVED AS TO CONTENT:

Ken Ortega, Public Works Director

Anthony Emmert, Project Manager

LIVING WAGE POLICY

The Living Wage Policy of the City of Oxnard is hereby adopted by the City Council on July 9, 2002 to be effective October 1, 2002.

1. Pursuant to this Living Wage Policy, a service contractor shall pay those employees who provide services to the City under contract:
 - (a) Effective October 1, 2002, at least \$9.00 an hour for the time during which the employee is providing services to the City;
 - (b) Effective July 1, 2003, at least \$9.25 an hour for the time during which the employee is providing services to the City and 32 hours of paid leave per every calendar year in which an employee provides services to the City;
 - (c) Effective July 1, 2004, at least \$10.59 an hour for the time during which the employee is providing services to the City and 64 hours of paid leave per every calendar year in which an employee provides services to the City; and
 - (d) Effective July 1, 2005, at least \$12.22 an hour for the time during which the employee is providing services to the City and 96 hours of paid leave per every calendar year in which an employee provides services to the City.
2. The hourly rates established in Section 1 shall be adjusted July 1, 2006 and, each July 1 thereafter, according to the percentage change since July 1, 2005 in the Consumer Price Index prepared by the Bureau of Labor Statistics for the Los Angeles, Anaheim, Riverside area relating to all urban consumers.
3. A service contractor executing a service contract with the City for which the City will pay the contractor \$25,000 or more during the contract term shall be subject to the Living Wage Policy.
4. A service contractor executing more than one service contract with the City, and the combined monetary total of the payments by the City pursuant to such contracts is \$25,000 or more for the combined contract terms shall be subject to the Living Wage Policy.
5. This Living Wage Policy shall not govern the following types of contracts for: (a) the purchase, rental or lease of goods, products, equipment, supplies or other personal property; (b) public works projects as defined in State or local law; and (c) professional services.
6. This Living Wage Policy shall not govern the following service contractors: (a) nonprofit entities organized under IRS Code section 501(c)(3); (b) public entities such as cities, counties, special districts, states and the federal government; and (c) businesses employing fewer than five persons.

7. The City Attorney is directed to include in all standard trade services contracts and all contracts involving unique trade services, the language set forth in Exhibit A attached hereto and incorporated herein by this reference.
8. If a service contractor fails to comply with this Living Wage Policy, the City Manager is *directed to terminate the subject service contract immediately and to impose appropriate fines and penalties as set forth in the service contract.*
9. The City Manager and the City Attorney are responsible for the administration and enforcement, respectively, of the Living Wage Policy. If an employee of a service contractor governed by the Living Wage Policy concludes that he/she has been retaliated against for the exercise of rights under the Living Wage Policy, the employee should contact the City Manager at 385-7430.
10. The City Manager shall reasonably cooperate with representatives of the Ventura County Living Wage Coalition to ensure the effective administration and enforcement of the Living Wage Policy.
11. This Living Wage Policy may be changed only by City Council and only after a duly noticed public hearing.
12. The City Manager is directed to ensure that the City Council will review the Living Wage Policy as part of the FY 2003-2004/05 budget process.

EXHIBIT A

Pursuant to the Living Wage Policy adopted July 9, 2002 by the City Council and effective October 1, 2002, the City Manager and City Attorney are directed to include the following language in all standard trade services contracts and all unique trade services contracts governed by the Living Wage Policy.

- A. (Contractor or Vendor) shall compensate any employee of (Contractor or Vendor) who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit _____. While this Agreement is in effect, (Contractor or Vendor) shall pay such employee no less than \$_____ per hour for each hour that such employee provides services under this Agreement. In addition, while this Agreement is in effect, (Contractor or Vendor) shall provide to such employee no less than _____ hours of paid leave per calendar year.
- B. (Contractor or Vendor) agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by City Council on July 9, 2002 and effective October 1, 2002.
- C. If (Contractor or Vendor) fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to (Contractor or Vendor), effective immediately.
- D. In addition, if (Contractor or Vendor) fails to comply with the Living Wage Policy in any manner, (Contractor or Vendor) shall pay to City a fine of \$500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. (Contractor or Vendor) shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to (Contractor or Vendor) of the amount owed.

**EXHIBIT A
RATES**

Vendor is to provide chemical supply and delivery to the City of Oxnard Water Resources Division - Water Section located at 251 S. Hayes Avenue.

<u>Approx. Quantity</u>	<u>Item Description</u>	<u>Unit Price</u>	<u>Total</u>
159,600 Gallons	Sodium Hypochlorite (NaOCl) Solution - Approximately 12.5% by weight available, shall be suitable for water treatment	\$ <u>0.79 cents</u> Per Gallon	\$ <u>125,924.40</u>
168,000 Gallons	Sodium Hydroxide (NaOH) Solution - Approximately 25% by weight suitable for water treatment	\$ <u>1.23</u> Per Gallon	\$ <u>206,640.00</u>

**INSURANCE REQUIREMENTS FOR VENDORS
(WHO DELIVER, INSTALL OR MAINTAIN PRODUCTS)**

1. Vendor shall obtain and maintain during the performance of any services under this Agreement the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the sale and delivery, installation or maintenance of products by vendor, its agents, representatives, or employees.

a. Commercial General Liability Insurance, including Contractual Liability, in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for general liability with coverage equivalent to Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001). If a general aggregate limit is used, that limit shall apply separately to the project or shall be twice the occurrence amount;

b. Business Automobile Liability Insurance in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for automobile liability with coverage equivalent to Insurance Services Office Automobile Liability Coverage (Occurrence Form CA0001) covering Code No. 1, "any auto;"

c. Workers' Compensation Insurance in compliance with the laws of the State of California, and Employer's Liability Insurance in an amount not less than \$1,000,000 per claimant.

2. Vendor shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-I. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager before work commences. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be forwarded to the Risk Manager, addressed as follows:

City of Oxnard
Risk Manager
Reference No. A-7092
300 West Third Street, Suite 302
Oxnard, California 93030

3. Vendor agrees that all insurance coverages shall be provided by a California admitted insurance carrier with an A.M. Best rating of A:VII or better and shall be endorsed to state that coverage may not be suspended, voided, canceled by either party, or reduced in coverage or limits without 30 days' prior written notice to the Risk Manager. The Risk Manager shall not approve or accept any endorsement if the endorsement contains "best effort" modifiers or if the insurer is relieved from the responsibility to give such notice.

4. Vendor agrees that the Commercial General Liability and Business Automobile Liability Insurance policies shall be endorsed to name City, its City Council, officers, employees and volunteers as additional insureds as respects: liability arising out of activities performed by or on behalf of vendor; products and completed operations of vendor; premises owned, occupied or used by vendor; or automobiles owned, leased, hired or borrowed by vendor. The coverage shall contain no special limitations on the scope of protection afforded to City, its City Council, officers, employees and volunteers. **The General Liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-I or substitute forms containing the same information and acceptable to the Risk Manager shall be used to provide the endorsements (ISO form CG 2010 11/85 or if not available, CG 2010 with an edition date prior to 01/04 and CG 2037).**

5. The coverages provided to City shall be primary and not contributing to or in excess of any existing City insurance coverages (**this must be endorsed**). Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its City Council, officers, employees and volunteers. The insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6. Any deductibles or self-insured retentions must be declared to and approved by the Risk Manager. At the option of the Risk Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its City Council, officers, employees and volunteers, or the vendor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

9/08

INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS

Certificates of Insurance

The sample accord form on the following page is provided to facilitate your preparation and submission of certificates of insurance. You may use this or any industry form that shows coverage as broad as that shown on the attached sample. **Please note the certificate holder address must be as shown on the attached sample accord form with the contract number and insurance exhibit identification information completed.** Improperly addressed certificates may delay the contract start-up date because the City's practice is to return unidentifiable insurance certificates to the insured for clarification as to the contract number. **Cancellation provisions must be endorsed to the policy. Modifying the certificate does not change coverage or obligate the carrier to provide notice of cancellation.**

Endorsement Forms

Original endorsements are required for commercial general liability and business automobile liability insurance policies and must be attached to the applicable certificate of insurance. City preference is that you use the endorsement forms which are attached. Substitute forms will be accepted, however, as long as they include provisions comparable to the attached.

INS-1.doc

ACCORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
CODE	SUB-CODE	COMPANIES AFFORDING INSURANCE COVERAGE	
INSURED		COMPANY LETTER A	SPECIFY COMPANY NAMES IN THIS SPACE
		COMPANY LETTER B	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> OWNERS & CONTRACTOR'S PROT				GENERAL AGGREGATE \$1,000,000 PRODUCTS COMP-OP AGG \$1,000,000 PERSONAL & ADV INJURY \$1,000,000 EACH OCCURRENCE \$1,000,000 FIRE DAMAGE (Any one fire) \$ MED EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER				

DESCRIPTION OF OPERATIONS, LOCATIONS, VEHICLES, RESTRICTIONS, SPECIAL ITEMS

CERTIFICATE HOLDER
 City of Oxnard
 Attn: Risk Manager
 Reference No. A-7092
 300 W. Third Street, Suite 302
 Oxnard CA 93030

CANCELLATION
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

