



AGENDA MEMORANDUM

Action Item for the City Council Meeting of December 7, 2021

DATE: December 7, 2021

TO: Peter Zanoni, City Manager

FROM: Kevin Norton, Director of Water Utilities
KevinN@cctexas.com
(361) 826-1874

Josh Chronley, Assistant Director of Contracts and Procurement
JoshC2@cctexas.com
(361) 826-3169

Supply Agreement for Sodium Bisulfite

CAPTION:

Motion authorizing a two-year supply agreement with Southern Ionics of West Point, Mississippi, for a total amount not to exceed \$1,139,280.00, for Sodium Bisulfite for the wastewater treatment plants, effective upon issuance of notice to proceed, with FY 2022 funding in the amount of \$569,640.00 available through the Wastewater Fund.

SUMMARY:

This motion authorizes a two-year supply agreement for sodium bisulfite for four of the City's wastewater treatment plants (WWTPs): Oso WWTP, Allison WWTP, Laguna Madre WWTP and Broadway WWTP. Oso WWTP will be the primary user. Sodium Bisulfite is necessary for the de-chlorination of wastewater effluent as required by Texas Commission on Environmental Quality (TCEQ) environmental permits.

BACKGROUND AND FINDINGS:

The City's Oso, Allison, and Laguna Madre wastewater treatment plants (WWTPs) use chlorine to disinfect wastewater. Additionally, the Broadway WWTP also uses a small amount of chlorine to prevent algae growth in the sand filters. Before treated effluent water is discharged into state waters, sodium bisulfite is used to remove excessive chlorine residual for these four WWTPs.

The current contract, Supply Agreement No. 2754, expires in February 2022. However, due to unexpected severe weather the City experienced this year as well as aged and deteriorated chlorine feed infrastructure at the Oso WWTP, the consumption of sodium

bisulfite was higher than anticipated and budgeted. The City Manager approved an emergency declaration for additional funds July 30, 2021 (that was sent to Council on the same date) to cover the cost of sodium bisulfite consumption between November of 2021 and February of 2022, securing delivery of the chemical during those months.

The Contracts and Procurement Department along with wastewater staff conducted a competitive Request for Bid (RFB) process to obtain bids for a new long-term contract. The City received two bids and recommends the contract be awarded to Southern Ionics, who is the lowest responsive, responsible bidder. Southern Ionics is the current sodium bisulfite vendor and has been in business with the City for many years.

PROCUREMENT DETAIL:

The unit price under this contract is \$0.14 per pound for wet solution chemical, and the unit price for the contract of last year was \$0.24 per pound for dry powder chemical. The total budget for sodium bisulfite is approximately 7% less than last year based on the vendor's unit price.

ALTERNATIVES:

There are no alternatives. This chemical is necessary for public health and safety and to meet TCEQ environmental permit requirements.

FISCAL IMPACT:

The fiscal impact for the Utilities Department is an amount not to exceed \$569,640.00 for the first year of the two-year supply agreement from the FY 2022 Wastewater Fund, with the remaining cost of \$569,640.00 to be budgeted in future years through the annual budget process.

FUNDING DETAIL:

Fund: 4200 Wastewater
Organization/Activity: 33100 Broadway Wastewater Plant
Mission Element: 064
Project # (CIP Only): N/A
Account: 520010 Purification Chemicals

Fund: 4200 Wastewater
Organization/Activity: 33110 Oso Wastewater Plant
Mission Element: 064
Project # (CIP Only): N/A
Account: 520010 Purification Chemicals

Fund: 4200 Wastewater
Organization/Activity: 33130 Allison Wastewater Plant
Mission Element: 064
Project # (CIP Only): N/A
Account: 520010 Purification Chemicals

Fund: 4200 Wastewater
Organization/Activity: 33140 Laguna Madre Wastewater Plant
Mission Element: 064

Project # (CIP Only): N/A
Account: 520010 Purification Chemicals

RECOMMENDATION:

Staff recommends approval of this supply agreement with Southern Ionics for the purchase of Sodium Bisulfite for the Utilities Department as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreement