



AGENDA MEMORANDUM

Action Item for the City Council Meeting June 28, 2022

DATE: June 28, 2022

TO: Peter Zaroni, City Manager

FROM: Gabriel Ramirez, Interim Director of Water Utilities
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Supply Agreement for Sodium Hypochlorite Solution

CAPTION

Resolution authorizing a one-year supply agreement with Brenntag Southwest, Inc., of Lancaster, Texas, in an amount not to exceed \$7,299,173.00 for the purchase of sodium hypochlorite solution, with FY 2022 funding in the amount of \$1,824,793.25 from the Wastewater and Water Funds.

SUMMARY:

This motion authorizes a one-year supply agreement with Brenntag Southwest, Inc., for sodium hypochlorite for the Utilities Department. This chemical is necessary during the wastewater and water treatment processes for public health and safety as required by the Texas Commission on Environmental Quality.

BACKGROUND AND FINDINGS:

The Wastewater Division uses sodium hypochlorite for disinfection of treated effluent at the Allison, Broadway, Oso, and Laguna Madre Wastewater Treatment Plants. The Water Division uses this chemical at the Sand Dollar and Staples Pumps Stations to boost the residual chlorine and keep the water quality stable in the distribution system.

PROCUREMENT DETAILS:

This chemical is necessary for use in disinfecting the water and wastewater. Procurement staff believes that it is in the best interest of the City's residents to enter into an agreement with Brenntag Southwest, Inc., to avoid any interruption in the City's supply of sodium

hypochlorite in accordance with Local Government Code, Section 252.022(a)(2), as this purchase is necessary to preserve or protect the public health or safety of the City's residents.

ALTERNATIVES:

There is no alternative since it is in the best interest of the City's residents to enter into an agreement with Brenntag Southwest, Inc., to avoid any interruption in the City's supply of sodium hypochlorite in accordance with Local Government Code, Section 252.022(a)(2), as this purchase is necessary to preserve or protect the public health or safety of the City's residents.

FISCAL IMPACT:

The fiscal impact in FY 2022 for the Utilities Department is an amount not to exceed \$1,824,793.25 for this one-year supply agreement, with the remaining cost of \$5,474,379.75 to be budgeted in next year's annual budget process.

Funding Detail:

Fund: 4200 Wastewater
Organization/Activity: 33100 Broadway Wastewater Plant
Mission Element: 064 Treat Wastewater
Project # (CIP Only): N/A
Account: 520010 Purification Chemicals
Cost: \$122,000.09

Fund: 4200 Wastewater Fund
Organization/Activity: 33110 Oso Wastewater Plant
Mission Element: 064 Treat Wastewater
Project # (CIP Only): N/A
Account: 520010 Purification Chemicals
Cost: \$1,420,248.93

Fund: 4200 Wastewater Fund
Organization/Activity: 33130 Allison Wastewater Plant
Mission Element: 064 Treat Wastewater
Project # (CIP Only): N/A
Account: 520010 Purification Chemicals
Cost: \$89,544.16

Fund: 4200 Wastewater Fund
Organization/Activity: 33140 Laguna Madre Wastewater Plant
Mission Element: 064 Treat Wastewater
Project # (CIP Only): N/A
Account: 520010 Purification Chemicals
Cost: \$76,358.55

Fund: 4010 Water Fund
Organization/Activity: 31010 Stevens Filter Plant
Mission Element: 062 Treat Water
Project # **(CIP Only)**: N/A
Account: 520010 Purification Chemicals
Cost: \$116,641.52

RECOMMENDATION:

Staff recommends approval of the motion authorizing this supply agreement with Brenntag Southwest Inc. as presented.

LIST OF SUPPORTING DOCUMENTS:

Supply Agreement
Resolution