



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 CCW
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Supply agreement for the purchase of Sodium Permanganate

CAPTION:

Resolution authorizing a one-year supply agreement for the purchase of sodium permanganate, in an amount not to exceed \$2,600,000.00 with Carus Corporation of Peru, Illinois, with FY 2022 funding in the amount of \$649,999.99 available through the Water Fund.

SUMMARY:

This resolution authorizes a one-year supply agreement for sodium permanganate for the O.N. Stevens Water Treatment Plant.

BACKGROUND AND FINDINGS:

Sodium permanganate is a chemical used for the treatment of potable drinking water at the O.N. Stevens Water Treatment Plant since 2016. This chemical is used for taste and odor aesthetics of the water and as an oxidizer to remove organics and help prevent a loss of chlorine disinfectant residual in the system.

PROCUREMENT DETAIL:

This chemical is necessary for use in the treatment of potable water. Procurement staff believes that it is in the best interest of the City's residents to enter into an agreement with Carus Corporation, to avoid any interruption in the City's supply of sodium permanganate 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. We do have an agreement with Carus, but the pricing is too volatile and they can no longer provide for that cost. We will be terminating the existing agreement and entering into this one in order to protect the public health and safety of the City's residents and provide potable water.

ALTERNATIVES:

There is no alternative since it is in the best interest of the City's residents to enter into an agreement with Carus Corporation, to avoid any interruption in the City's supply of sodium permanganate 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 \$649,999.99 for this one-year supply agreement, with the remaining cost of \$1,950,000.01 to be budgeted in next year's annual budget process.

FUNDING DETAIL:

Fund:	4010 Water
Organization/Activity:	31010 Stevens Filter Plant
Mission Element:	062 Treat Water
Project # (CIP Only):	N/A
Account:	520010 Purification Chemicals

RECOMMENDATION:

Staff recommends approval of this resolution authorizing a one-year supply agreement with Carus Corporation as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Supply Agreement