



AGENDA MEMORANDUM

Future Item for the City Council Meeting of July 18, 2017
Action Item for the City Council Meeting of July 25, 2017

DATE: July 18, 2017

TO: Margie C. Rose, City Manager

FROM: Dan Grimsbo, Interim Director of Utilities
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<p>Approval for Amendment No. 2 to the Service Agreement for Preventative Maintenance of Breakpoint Chlorination System</p>
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CAPTION:

Motion authorizing the City Manager, or designee, to approve Amendment No.2 to the Preventative Maintenance of the Breakpoint Chlorination System Service Agreement with Grace Water Services, LLC, for a total amount not to exceed \$436,876.00 with an estimated expenditure of \$218,438.00 in FY2016-2017 funded by the Wastewater Fund.

PURPOSE:

The amendment is to exercise the additional two-year periods of the agreement for continuation of preventative maintenance to cover necessary upgrades.

BACKGROUND AND FINDINGS:

LNV, Inc. was contracted by the City in 2010 to develop and design an interim process at the Oso Wastewater Treatment Plant, referred to as breakpoint chlorination (BPC), which could be implemented over the short-term to reduce ammonia discharges, and ultimately meet more stringent permit limits.

BPC is the process of feeding high dosages of sodium hypochlorite to oxidize/remove the excess ammonia in the effluent prior to discharge. The intent of the project was to limit capital investment while also developing a master plan for implementation of a long-term biological nutrient removal (BNR) process to meet future anticipated discharge requirements. Grace Water Services, LLC, of Katy, Texas is the vendor that currently provides this service to the City.

This contract renewal is amended to include the installation of a backup monitoring system and upgrades of equipment needed for the monitoring and functioning of the chemical feed system.

ALTERNATIVES:

No feasible alternatives

OTHER CONSIDERATIONS:

No feasible considerations

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State Statutes regulating procurements.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Utilities-Wastewater

FINANCIAL IMPACT:

X Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$506,693.38	\$218,438.00	\$725,131.38
Encumbered / Expended Amount	\$172,501.54	\$0.00	\$172,501.54
This item	\$218,438.00	\$218,438.00	\$436,876.00
BALANCE	\$115,753.84	\$0.00	\$115,753.84

Fund(s): Wastewater Fund

Comments: The amendment contract amount is \$436,876.00, of which \$218,438.00 is funded in FY2016-17. The total estimated contract value will be \$889,287.00 if all options in future years are executed.

RECOMMENDATION:

Staff recommends the approval of the proposed amendment.

LIST OF SUPPORTING DOCUMENTS:

Amendment No.2- Preventative Maintenance of the Breakpoint Chlorination System