

Resolution authorizing a one-year supply agreement, with one additional one-year option, for the purchase of liquid chlorine in rail car, in an amount not to exceed \$2,500,000.00 and a potential cost of \$5,000,000.00 if all options are exercised, with DPC Industries, Inc. of Corpus Christi, Texas, with FY 2022 funding in the amount of \$1,666,700.00 available through the Water Fund.

WHEREAS, liquid chlorine delivered by rail car is a necessary chemical used in the water treatment process;

WHEREAS, State law generally requires that procurements are subject to statutory requirements, including competitive bids, unless an exception applies;

WHEREAS, there is a statutory exception for this procurement in 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;

WHEREAS, while City staff did issue a Request for Bids ("RFB") looking for potential suppliers of liquid chlorine, only one bidder, DPC Industries, Inc., responded to the RFB;

WHEREAS, DPC Industries, Inc. provided both a bid and an alternative bid, which included additional terms and limitations on the pricing provided, in response to the RFB, and City staff elected to cancel the RFB and negotiate the terms of an agreement with DPC Industries, Inc. that were mutually agreeable outside of the bid process;

WHEREAS, liquid chlorine delivered by rail car is a necessary chemical used in the water treatment process and the price of liquid chlorine is volatile in the current market; and

WHEREAS, given the necessity to receive this chemical for use in the water treatment process, the City believes that it is in the best interest of the City's residents to enter into an agreement with DPC Industries, Inc., that allows for some flexibility in pricing up to a set maximum annual amount so as to avoid any interruption in the City's supply of liquid chlorine which is necessary to preserve the public health or safety of the City's residents.

Be it resolved by the City Council of the City of Corpus Christi, Texas:

Section 1. The City Council specifically finds that the foregoing statements included in the preamble of this resolution are true and correct and adopts such findings for all intents and purposes related to the authorization of this procurement.

Section 2. The City Manager, or designee, is authorized to execute all documents necessary for a one-year supply agreement, with one additional one-year option, for the purchase of liquid chlorine in a rail car, in an amount not to exceed \$2,500,000.00 and a potential cost of \$5,000,000.00 if all options are exercised, with DPC Industries, Inc., of Corpus Christi, Texas.

PASSED AND APPROVED on the _____ day of _____, 2022:

Paulette M. Guajardo _____

Roland Barrera _____

Gil Hernandez _____

Michael Hunter _____

Billy Lerma _____

John Martinez _____

Ben Molina _____

Mike Pusley _____

Greg Smith _____

ATTEST:

CITY OF CORPUS CHRISTI

Rebecca Huerta
City Secretary

Paulette M. Guajardo
Mayor