



AGENDA MEMORANDUM

Action Item for the City Council Meeting July 23, 2024

DATE: July 23, 2024

TO: Peter Zanoni, City Manager

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<p>Supply Agreement for Liquid Cationic Polymer for Treatment of Potable Drinking Water</p>
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CAPTION

Motion authorizing execution of a one-year supply agreement, with two one-year options, with Polydyne Inc. of Riceboro, Georgia, in an amount not to exceed \$1,119,400.00, and a potential amount up to \$3,358,200.00 if options are exercised, for Liquid Cationic Polymer to be used for treatment of potable drinking water process at the O.N. Stevens Water Treatment Plant, with FY2024 funding of \$186,566.67 from the Water Fund.

SUMMARY:

This is a supply agreement for liquid cationic polymer for the O.N. Stevens Water Treatment Plant. Liquid cationic polymer is used as a coagulant aid by Corpus Christi Water (CCW) to increase the settling of suspended solids during the water treatment process at the O.N. Stevens Water Treatment Plant. The polymer is required to promote the settling of suspended particles during the treatment process.

BACKGROUND AND FINDINGS:

Liquid cationic polymer is a coagulant aid chemical used for the treatment of potable water at O.N. Stevens Water Treatment Plant. The polymer enhances the effectiveness of the coagulant (aluminum sulfate) by increasing the settlement of particles during the treatment process.

PROCUREMENT DETAILS:

Finance & Procurement conducted a competitive Request for Bids process to obtain bids. 121 notifications were sent to potential bidders, of which only one responsive, responsible bid was received. The staff is recommending the award to Polydyne Inc. They have satisfactorily fulfilled contracts with CCW since 2013 and are the manufacturer and distributor of this chemical.

The table reflects the cost comparison from 2022 to 2024.

Liquid Cationic Polymer				
2022 Pricing Polydyne Inc.	2023 Pricing Polydyne, Inc.	2024 Pricing Polydyne, Inc.	Price Variance 2023 to 2024	% Price Increase
\$2,140.00 per wet ton	\$2,340.00 per wet ton	\$2,480.00 per wet ton	\$140.00 per wet ton	5.98%

ALTERNATIVES:

An alternative to securing a long-term supply agreement is to purchase the liquid cationic polymer through short-term supply agreements. This method of transactions may cause delays in the shipment of this critical chemical used for the treatment of potable water. In addition, the cost will depend on the market price at the time of purchase, which would likely be greater than guaranteed contractual pricing.

FISCAL IMPACT:

The fiscal impact for the Water Fund in FY 2024 is \$186,566.67.

Funding Detail:

Fund: 4010 Water Fund
Organization/Activity: 31010 O.N. Stevens Water Treatment Plant
Department: 45 Water
Project # (CIP Only): N/A
Accounts: 520010 Purification Chemicals

RECOMMENDATION:

Staff recommends approval of this motion authorizing a one-year supply agreement, with two one-year options, with Polydyne Inc. as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreement