



AGENDA MEMORANDUM

Action Item for the City Council Meeting September 19, 2023

DATE: September 19, 2023

TO: Peter Zanoni, City Manager

FROM: Drew Molly, Director of Water Systems and Support Services
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Supply Agreement for Sodium Permanganate

CAPTION:

Resolution authorizing a one-year supply agreement, with two one-year options, with Carus LLC, of Peru, Illinois, in an amount not to exceed \$3,500,000.00 and a potential amount up to \$10,500,000.00 if the options are exercised, for sodium permanganate solution to be utilized by Corpus Christi Water, with FY 2023 funding of \$291,667.00 from Water fund.

SUMMARY:

This resolution authorizes a one-year supply agreement with two one-year options for sodium permanganate for the treatment of raw water at 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:

Finance & Procurement conducted an informal quote request and received four responsive responses and one unresponsive response. This procurement is exempt from the bidding requirements of Chapter 252 of the Texas Local Government Code as authorized by Section 252.022(a)(2) as it necessary to preserve or protect the public health and safety of the City's residents. The City has chosen to use an informal process to determine the most advantageous supplier. This chemical is necessary for the treatment of potable drinking water. Procurement staff

believes that it is in the City's best interest of the City's residents to enter into an agreement with the incumbent, Carus LLC to avoid any interruption in the City's supply of sodium permanganate.

The price of this chemical in 2022 was \$1.92 per pound and the new price is \$1.72 per pound which presents a 10.4% cost savings.

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 23 for Corpus Christi Water (CCW) is \$ 291,667.00.

FUNDING DETAIL:

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

RECOMMENDATION:

Staff recommends approval of the resolution authorizing execution of the supply agreement with Carus LLC as presented.

LIST OF SUPPORTING DOCUMENTS:

Supply Agreement
Bid Tabulation