

AGENDA MEMORANDUM

Action Item for the City Council Meeting January 25, 2022

DATE: January 25, 2022

TO: Peter Zanoni, City Manager

FROM: Gabriel Ramirez, Interim Director of Water Utilities

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Supply Agreement for Liquid Cationic Polymer for Treatment of Potable Drinking Water

CAPTION

Motion authorizing a one-year supply agreement, with an additional one-year option with Polydyne Inc. of Riceboro, Georgia for an estimated amount of \$963,000.00, with an estimated potential amount not to exceed \$2,016,000.00 if the option period is exercised for the purchase of Liquid Cationic Polymer to be used for treatment of potable drinking water process at the O.N. Stevens Water Treatment Plant, with FY2022 funding in an estimated amount of \$750,000.00 available through 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 to increase the settling of suspended solids during the water treatment process at the O.N. Stevens Water Treatment Plant. The polymer helps bring suspended particles in the water together to form large particles that sink to promote settling 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) in bringing small particles in the water together to form larger particles that sink, to increase settling during treatment. The current contract is also with Polydyne Inc. of Riceboro, Georgia. The price per ton is increasing from \$1,840/ton to \$2,140/ton for year one of the new contract. The second year option for the new contract is \$2,340/ton.

PROCUREMENT DETAILS:

The Contracts and Procurement Department conducted a competitive Request for Bids process to obtain bids. The City received one responsive, responsible bid and staff is recommending the award to Polydyne Inc.

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 may be higher than a locked-in price obtained through a long-term agreement.

FISCAL IMPACT:

The fiscal impact for the Water Fund in FY 2022 is \$750,000.00.

Funding Detail:

Fund: 4010 Water

Organization/Activity: 31010 Stevens Plant Mission Element: 062 Treat Water

Project # (CIP Only): N/A

Accounts: 520010 Purification Chemicals

RECOMMENDATION:

Staff recommends approval of the motion authorizing this supply agreement with Polydyne Inc. as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation Supply Agreement