



AGENDA MEMORANDUM

Action Item for the City Council Meeting of January 28, 2020

DATE: January 28, 2020

TO: Peter Zaroni, City Manager

FROM: Kevin Norton, Director of Water Utilities
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Sodium Bisulfite for the Wastewater Treatment Plants

CAPTION:

Motion authorizing a two-year supply agreement with Southern Ionics Inc., of West Point, Mississippi, in an amount not to exceed \$1,221,677.00, for the purchase of Sodium Bisulfite to be used by the Wastewater Division of the Utilities Department to dechlorinate wastewater, effective upon issuance of notice to proceed, with first-year funding in the amount of \$610,838.00 available in the FY 2020 Wastewater Fund.

SUMMARY:

This motion authorizes a two-year supply agreement with Southern Ionics Inc., of West Point, Mississippi, for Sodium Bisulfite for the Utilities Department, Wastewater Division. This chemical is necessary for the dechlorination of wastewater effluent as required by Texas Commission on Environmental Quality (TCEQ) environmental permits.

BACKGROUND AND FINDINGS:

Chlorine is applied during the treatment process to disinfect the wastewater, and then Sodium Bisulfite is used to remove excess chlorine residual from the wastewater effluent before it is discharged from the treatment plant. Dechlorination of the disinfected wastewater effluent prevents harmful exposure of chlorine and chlorine compounds on plant and aquatic life.

The current contract, Supply Agreement 1026, expires in April 2020. The contract capacity was used faster than expected primarily due to reduced efficiencies caused by age and deterioration of the Breakpoint Chlorination System and the Aeration Systems at Oso Wastewater Treatment Plant. The Utilities Department is currently procuring this chemical via Amendment No. 4 of the Supply Agreement 1026, which was approved by City Council

in December 2019 to increase the contract capacity until the new supply agreement is executed.

The Contracts and Procurement Department conducted a competitive RFB process to obtain bids. The City received one responsive, responsible bid. Two other bidders sent letters stating they could not be competitive at this time. Staff is recommending the award to the lowest, responsible bidder, Southern Ionics Inc.

ALTERNATIVES:

There are no alternatives to approving this supply agreement. This chemical is necessary for public health and safety, and to meet TCEQ environmental permit requirements.

FISCAL IMPACT:

The fiscal impact for the Utilities Department is an amount not to exceed \$610,838.00 for the first-year of the two-year supply agreement from the FY 2020 Wastewater Fund, with the remaining cost of \$610,839.00 to be budgeted in future years through the annual budget process. This Supply Agreement is for dechlorination of wastewater effluent at the wastewater treatment plants as required by TCEQ compliance regulations.

FUNDING DETAIL:

Fund:	4200 Wastewater
Organization/Activity:	33100 Broadway Wastewater Plant
Mission Element:	064
Project # (CIP Only):	N/A
Account:	520010 Purification Chemicals

Fund:	4200 Wastewater
Organization/Activity:	33110 Oso Wastewater Plant
Mission Element:	064
Project # (CIP Only):	N/A
Account:	520010 Purification Chemicals

Fund:	4200 Wastewater
Organization/Activity:	33130 Allison Wastewater Plant
Mission Element:	064
Project # (CIP Only):	N/A
Account:	520010 Purification Chemicals

Fund:	4200 Wastewater
Organization/Activity:	33140 Laguna Madre Wastewater Plant
Mission Element:	064
Project # (CIP Only):	N/A
Account:	520010 Purification Chemicals

RECOMMENDATION:

Staff recommends approval of this motion authorizing a two-year supply agreement with Southern Ionics Inc. for Sodium Bisulfite for the Wastewater Division of the Utilities Department.

LIST OF SUPPORTING DOCUMENTS:

Supply Agreement
Bid Tabulation