



AGENDA MEMORANDUM

Action Item for the City Council Meeting of April 21, 2020

DATE: April 21, 2020

TO: Peter Zaroni, City Manager

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

CAPTION:

Motion authorizing a two-year supply agreement with Brenntag Southwest, Inc., in an amount not to exceed \$5,440,294.52, for the purchase of Sodium Hypochlorite used by the Utilities Department for the disinfection of treated effluent at four Wastewater Treatment Plants, and by the Water Treatment Plant to boost the disinfection properties of the City's drinking water throughout the distribution system, effective upon issuance of notice to proceed, with FY 2020 funding in an estimated amount of \$1,133,400.00 available in the Wastewater and Water Funds.

SUMMARY:

This motion authorizes a two-year supply agreement with Brenntag Southwest Inc., for Sodium Hypochlorite for the Utilities Department. This chemical is necessary during the water and wastewater treatment processes for public health and safety as required by the Texas Commission on Environmental Quality (TCEQ) environmental permits.

BACKGROUND AND FINDINGS:

The Wastewater Division uses Sodium Hypochlorite for disinfection of treated effluent at the Allison, Broadway, Oso, and Laguna Madre Wastewater Treatment Plants. The Water Division uses this chemical as a polishing agent to boost the disinfection properties of the drinking water during the treatment process, which ensures the best and safest quality water is delivered to the City's distribution system.

The Contracts and Procurement Department conducted a competitive Request for Bid process to obtain bids. The City received two responsive, responsible bids and one non-responsive bid. Staff is recommending the award to Brenntag Southwest, Inc., the current

supplier of this product and the lowest, responsible bidder. The product has increased per gallon at a minimal unit price rate, since the last contract awarded in 2017. The Sodium Hypochlorite 10-15% increased \$0.04; the 10% increased \$0.28; and 12.5% increased \$0.05.

ALTERNATIVES:

There are no alternatives. This chemical is required during both the water and wastewater treatment processes for public health and safety, and to meet TCEQ environmental permit requirements.

FISCAL IMPACT:

The fiscal impact in FY 2020 for the Utilities Department is an amount not to exceed \$1,133,400.00 for this two-year supply agreement, with the remaining cost of \$4,306,894.52 to be budgeted in future years through the annual budget process.

Funding Detail:

Fund: 4200 Wastewater
Organization/Activity: 33100 Broadway Wastewater Plant
Mission Element: 064 Treat Wastewater
Project # **(CIP Only)**: N/A
Account: 520010 Purification Chemicals
Cost: \$101,639.00

Fund: 4200 Wastewater Fund
Organization/Activity: 33110 Oso Wastewater Plant
Mission Element: 064 Treat Wastewater
Project # **(CIP Only)**: N/A
Account: 520010 Purification Chemicals
Cost: \$840,875.00

Fund: 4200 Wastewater Fund
Organization/Activity: 33130 Allison Wastewater Plant
Mission Element: 064 Treat Wastewater
Project # **(CIP Only)**: N/A
Account: 520010 Purification Chemicals
Cost: \$52,630.00

Fund: 4200 Wastewater Fund
Organization/Activity: 33140 Laguna Madre Wastewater Plant
Mission Element: 064 Treat Wastewater
Project # **(CIP Only)**: N/A
Account: 520010 Purification Chemicals
Cost: \$45,100.00

Fund: 4010 Water Fund
Organization/Activity: 31010 Stevens Filter Plant
Mission Element: 062 Treat Water
Project # **(CIP Only)**: N/A
Account: 520010 Purification Chemicals

Cost: \$93,156.00

RECOMMENDATION:

Staff recommends approval of this motion authorizing a two-year Supply Agreement with Brenntag Southwest, Inc. for Sodium Hypochlorite as presented.

LIST OF SUPPORTING DOCUMENTS:

Supply Agreement
Bid Tabulation