Legislation Details (With Text)

File #:	ID 21-677	**Version:** 1	**Name:**		
Type:	Action Item		**Status:**	Agenda Ready	
File created:	10/18/2021		**In control:**	City Council	
On agenda:	11/4/2021		**Final action:**		
Title:	Approve an increase to the Requirements Contract with Kemira Water Solutions, Inc., by $580,000 to the amount of $1,798,821.80 for the first year of the contract and by $336,018.20 to the amount of $1,554,840.00 for the remaining one-year terms, to purchase additional ferric chloride, and authorize the Director of Public Utilities or designee to sign the amendment on behalf of the City. Bid File 9562 (Citywide)				
Sponsors:	Department of Public Utilities				
Indexes:					
Code sections:					
Attachments:	1. Attachment 1 - Original Contract.pdf, 2. Attachment 2 - Amendment.pdf				

Date	Ver.	Action By	Action	Result

REPORT TO THE CITY COUNCIL

November 4, 2021

FROM: MICHAEL CARBAJAL, Director
Department of Public Utilities

BY: CORY ASHER, Wastewater Manager
Department of Public Utilities, Wastewater Management Division

SUBJECT

Approve an increase to the Requirements Contract with Kemira Water Solutions, Inc., by $580,000 to the amount of $1,798,821.80 for the first year of the contract and by $336,018.20 to the amount of $1,554,840.00 for the remaining one-year terms, to purchase additional ferric chloride, and authorize the Director of Public Utilities or designee to sign the amendment on behalf of the City. Bid File 9562 (Citywide)

RECOMMENDATION

Staff recommends that Council approve an increase to the amount of the requirements contract with Kemira Water Solutions, Inc. a Delaware corporation, to a new annual total of $1,798,821.80 for the remaining first year of the contract and by $336,018.20 to the amount of $1,554,840.00 for the subsequent 2 remaining one-year terms, with provisions for two one-year extensions for the purpose of purchasing additional ferric chloride, an additive that controls the hydrogen sulfide level in the

digester gas as well as the odor control activities at the Headworks, and authorize the Director of Public Utilities or designee, to sign the amendment on behalf of the City.

EXECUTIVE SUMMARY

The Department of Public Utilities, Wastewater Division (Wastewater), seeks approval to increase the current annual contract total of $1,218,821.80 to $1,798,821.80 for the remaining first year of the contract and by $336,018.20 to the amount of $1,554,840.00 for the subsequent 2 remaining one-year terms of the requirements contract with Kemira, for Ferric Chloride (Ferric), which is used at the Fresno/Clovis RWRF (RWRF) Headworks for odor control and for hydrogen sulfide reduction in the digester gas produced during the treatment process. The hydrogen sulfide level in the digester gas and the odor control activities at the Headworks are both regulated under Environmental Protection Agency rules administered by the San Joaquin Valley Air Pollution Control District. Allowing this increase will ensure the RWRF can continue dosing Ferric to the processes and remain in compliance.

BACKGROUND

The RWRF currently treats approximately 60 million gallons of wastewater per day from Fresno, Clovis, and some unincorporated areas of Fresno County. The wastewater takes approximately 8-10 hours before reaching the plant, arriving in a septic condition in which hydrogen sulfide, a toxic malodorous gas, is present in the wastewater and is emitted into the air treatment system at the Headworks. Ferric is added at the Headworks as part of the odor control strategy to minimize the emission of malodorous gases and reduce the levels of hydrogen sulfide in the digester gas, both are required as part of the RWRF air permits requirements.

A notice inviting bids was published September 30, 2020 and posted on PlanetBids. The specifications were distributed to 13 prospective bidders. Two sealed bid proposals were received and publicly opened on October 20, 2020. Since this is a requirements contract, a unit price was specified per dry ton and an estimated annual cost was included, based on an estimated annual usage. The two bids, based on total estimated annual cost, were $1,218,821.80 and $1,328,956.30. Kemira submitted the lowest bid proposal in the amount of $1,218,821.80 and is considered the lowest responsive and responsible bidder. On January 28, 2021, Council award the requirements contract to Kemira.

Specifications for the requirements contract for ferric were prepared based upon estimated annual usage at the RWRF, which assumed a specific dosing strategy. The RWRF is currently piloting different dosing strategies. If successful, it will reduce the formation of struvite within the facility's digestion system. Struvite is a mineral that forms when favorable conditions and properties are present. This build up causes operational interruptions and requires regular maintenance. Ferric is injected directly into digester sludge to bind orthophosphate into solution, with the objective of removing one of the properties needed for struvite formation. Injecting ferric into the digester sludge improves dewatering performance and requires less thickening agents, which results in less polymer being used. Moving forward, RWRF objective is to reduce/prevent the formation of struvite while maximizing the effectiveness of chemicals used.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act Guidelines Section 15378, the increase to the requirements contract does not qualify as a “project”.

LOCAL PREFERENCE

Local preference is not applicable because this is an increase to an existing contract.

FISCAL IMPACT

The General Fund is not impacted by this citywide expenditure, as the appropriations for the purchase of Ferric Chloride are included in FY2022 Water Enterprise Fund operating budget.

Attachments:
Attachment 1 - Original Contract
Attachment 2 - Amendment