



Staff Reports

File #: 256-2020, **Version:** 1

To: Honorable Mayor and Members of City Council

From: Phil Brun, Utilities Director

Prepared By: Sara Gallegos, Management Analyst II

TITLE:

Chemical Supply Purchase Contracts for Potable Water Treatment Plant Facilities

RECOMMENDED ACTION:

- (1) Determine that the proposed contract with Olin, for the purchase of chemical supplies for potable water treatment plant facilities, meet the requirements for procurement of supplies via existing contracts with another public agency (North Bay Chemical Agency Pool), as set forth in Napa Municipal Code Section 2.91.060; and
- (2) Authorize the Utilities Director to execute contracts for Fiscal Year 2020-2021 with Thatcher in an amount not to exceed \$800,000 for aluminum sulfate, and with Olin in an amount not to exceed \$250,000 for sodium hydroxide (caustic soda) and sodium hypochlorite, for use at the three City of Napa potable water treatment facilities, and determine this action is exempt from CEQA.

DISCUSSION:

The Water Division uses chemicals as part of the water treatment process to provide potable water to the City of Napa. To receive competitive prices for chemicals, the Water Division participates in the North Bay Chemical Agency Pool which is comprised of various local municipalities' water treatment and wastewater treatment operations. The City of Napa has participated in the pool bid process for over 20 years. Other pool members include: the City of American Canyon, City of Benicia, City of Calistoga, City of Davis, City of Fairfield, City of Petaluma, City of St. Helena, City of Vacaville, City of Vallejo, City of West Sacramento, Napa Sanitation District, Solano Irrigation District, Town of Yountville, and Vallejo Sanitation & Flood Control District.

The pool members collectively advertise (see Attachment 1), obtain bids, and award the bid for treatment process chemicals that some or all of the cities use in day to day operations. Competitive pricing is ensured but market forces drive the cost of chemicals. The results from this year's bid collection is included as Attachment 2. The recommended award of bids and pricing is included as Attachment 3.

Staff recommends that City Council authorize the Utilities Director to execute contracts with Thatcher in an amount not to exceed \$800,000 for aluminum sulfate, and with Olin in an amount not to exceed \$250,000 for sodium hydroxide (caustic soda) and sodium hypochlorite, for use at the three City of Napa potable water treatment facilities.

FINANCIAL IMPACTS:

There are sufficient funds in Water Enterprise Fund account 53007-56501 for Fiscal Year 2020-2021 in the amount of \$1,298,000 for the purchase of chemicals required for the potable water treatment process.

CEQA:

City staff recommends that the City Council determine that the Recommended Action is exempt from CEQA pursuant to CEQA Guidelines Section 15301(a) (Existing Facilities) which exempts operation, repair, maintenance or minor alteration of existing public or private structures, facilities, mechanical equipment or topographic features involving no expansion of use beyond that previously existing.

DOCUMENTS ATTACHED:

ATCH 1 - North Bay Chemical Agency Bid Invitation
ATCH 2 - North Bay Chemical Agency Bid Results
ATCH 3 - North Bay Chemical Agency Bid Award
ATCH 4 - Written Determination for Procurement

NOTIFICATION:

None