Agenda Item #6.3
For Board Meeting of: October 20, 2022

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: CHRISTIAN WILLIAMS, WASTEWATER TREATMENT SUPERINTENDENT, WATER DEPARTMENT
BRANDALYN TRAMEL, PURCHASING AGENT, FINANCE DEPARTMENT
TRACY VERA, BUYER, FINANCE DEPARTMENT

SUBJECT: BLANKET PURCHASE ORDER 165703 – ONE-YEAR EXTENSION AND INCREASE COMPENSATION, SNF POLYDYNE, INC.

AGENDA ACTION: RESOLUTION

RECOMMENDATION:

It is recommended by the Water and Finance Departments that the Board of Public Utilities, by resolution, approve a one-year extension with a 10% increase to unit price and an increase in compensation of $125,000 to Blanket Purchase Order (BPO) 165703 for the supply and delivery of Clarifloc NW-134 dewatering polymer for the Laguna Treatment Plant to SNF Polydyne, Inc., Riceboro, Georgia, in the total amount not to exceed $224,000.

EXECUTIVE SUMMARY:

The Water Department requires a supply of Clarifloc NW-134 polymer to be delivered to the Laguna Treatment Plant for use in the wastewater treatment process. The polymer removes water from the Waste Activated Sludge thereby decreasing volume and water content prior to feeding into the Anaerobic Digesters. This prevents unneeded dilution of the digesters, prevents excessive heat loss from the introduction of cold water, and increases detention time in the digesters so the digestion process can reliably achieve a Class B Biosolids product.

BACKGROUND:

On December 6, 2021, the Purchasing Agent approved the issuance of a one-year BPO 165703 to SNF Polydyne, Inc. in the amount of $49,000 for Clarifloc NW-134. On March 4, 2022, the Assistant City Manager approved an amendment to BPO 165703 adding compensation in the amount of $50,000. These previous BPO fund requests did not anticipate a continued need for Clarifloc NW-134 as the Water Department has procured replacement polymer feed equipment for the Waste Activated Sludge thickening process. However, due to limited resources and other maintenance priorities,

the new equipment has not yet been installed this calendar year as anticipated, which would have allowed the treatment plant to switch to a different type of polymer. Therefore, until the new polymer feed equipment is installed, there is a continued need for Clarifoc NW 134.

See Agreement history below:

Date	Description	Amount	Authorization
December 6, 2021	Award of one-year Blanket Purchase Order	$49,000	Purchasing Agent
March 4, 2022	Added compensation	$50,000	Assistant City Manager
Pending	**One year extension and add compensation**	**$125,000**	Board of Public Utilities
Cumulative Contract Value		$224,000	

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

Not applicable

ANALYSIS

SNF Polydyne, Inc. has agreed to a one-year extension with a 10% increase in unit cost. The cost increase is based on an all-time record demand for finished polymers coupled with a tight global supply of raw materials which has rapidly driven the cost of raw materials higher. The current demand for trucking services exceeds available supply. As a result, the rising trucking rates impact both the cost for raw materials and the cost to ship finished polymers to facilities that use them. The Producer Price Index (PPI) for Diesel Fuel (Series ID: PCU324110324110C2) shows an increase of 43.11% from December 2021 to August 2022.

City staff has thoroughly analyzed the increase in unit pricing and has determined the extension proposal is fair, reasonable and in the City's best interest.

Upon approval, the cumulative contract value of BPO 165703 will be $224,000.

Under the City's Code 3-08.110, the extension and increase in compensation to BPO 165703 requires approval by the Board of Public Utilities.

FISCAL IMPACT

Funds for this expense are included in the Fiscal Year 2022-23 adopted operational budget 130802 under the Water Department. As a regular operating expenditure, the described services are expected to be included in subsequent years' budget proposals when presented to the City Council.

ENVIRONMENTAL IMPACT

This action is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

ATTACHMENTS

- Resolution

CONTACTS

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