

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: EMMA WALTON, DEPUTY DIRECTOR, WATER DEPARTMENT
BRANDALYN TRAMEL, PURCHASING AGENT
FINANCE DEPARTMENT
SUBJECT: FOURTH AMENDMENT – GENERAL SERVICES AGREEMENT
F001686 THATCHER COMPANY OF CALIFORNIA, INC.

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Water and Finance Departments that the Board of Public Utilities, by resolution, approve the Fourth Amendment to General Service Agreement F001686 for a one-year extension with no increase in contract unit price, and increase in compensation for the supply and delivery of ferric chloride, as required by the Laguna Treatment Plant, with Thatcher Company of California, Inc., Downey, California, in the amount of \$388,476, for a cumulative total not to exceed \$1,239,833.82.

EXECUTIVE SUMMARY

On May 17, 2018, the Board of Public Utilities, by motion, awarded a one-year term General Services Agreement (GSA) F001686 with four (1) one-year extension options for the supply of ferric chloride to Thatcher Company of California, Inc. The current Agreement expires on May 18, 2021. This is the third extension option.

BACKGROUND

Ferric chloride is a chemical used at the Laguna Wastewater Treatment Plant to control the amount of hydrogen sulfide present in sewers and gases produced by the treatment plant anaerobic digesters. The digester gases are utilized to fuel the combined heat and power (CHP) engines at the Plant. This treatment process reduces exhaust emissions produced by the engines. Ferric chloride is fed into the Plant's influent flow in proportion to the volume of sewage received each day. From there, the ferric chloride binds with solids and is transported to the digesters where it controls hydrogen sulfide production in the digester gas. Hydrogen sulfide must be kept to low levels to prevent corrosion in the engines and to meet air permit requirements.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On May 17, 2018, the Board of Public Utilities awarded General Service Agreement F001686 to Thatcher Company of California, Inc.

On May 2, 2019, the Board of Public Utilities approved the First Amendment to General Service Agreement F001686.

On May 7, 2020, the Board of Public Utilities approved the Third Amendment to General Service Agreement F001686.

ANALYSIS

Staff received a one-year extension proposal with no increase in unit price.

The City and Thatcher Company of California, Inc. entered into an agreement on May 17, 2018 awarded by the Board of Public Utilities. See contract activity chart below:

<u>Award/Amendment</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Authorization</u>
Contract Award	May 17, 2018	One Year with four (4) one-year extension options	\$237,617.19	BPU
First Amendment	May 2, 2019	One-year extension with 8% increase in unit price, and increase compensation	\$254,725.63	BPU
Second Amendment	March 12, 2020	Add Funds	\$50,000	Purchasing Agent
Third Amendment	May 7, 2020	One-year extension with 21% increase in unit price, and increase compensation	\$309,015	BPU
Fourth Amendment	Pending	Addition of funds through May 2021, and one -year extension with	\$388,476	BPU

		no increase to unit price, and increase compensation		
Cumulative Contract Value			\$1,239,833.82	

With approval of the Fourth Amendment, the cumulative value of Agreement F001686 will be \$1,239,833.82. Under the City's Contract/Purchase Order Modification Policy III-9, the Fourth Amendment of GSA F001686 requires approval by the Board of Public Utilities.

FISCAL IMPACT

Funds required for this operational expense are included in the Fiscal Year 2020-21 adopted budget of the Water Department and will be included in subsequent budgets to be approved by the City Council.

ENVIRONMENTAL IMPACT

Not Applicable. This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not Applicable

CONTACT

Emma Walton, Deputy Director - Water Reuse Operations, Water Department,
ewalton@srcity.org, 707-543- 4516

Brian Bokkin, Wastewater Treatment Superintendent, Water Department,
bbokkin@srcity.org, 707-543-3417

Brandalyn Tramel, Purchasing Agent, Finance Department, btramel@srcity.org , 707-543-3706

Jennifer Myles, Senior Buyer, Finance Department, jmyles@srcity.org, 707-543-3709