Agenda Item # 7.4
For Board Meeting of: May 15, 2025

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: TRACY VERA, BUYER, FINANCE DEPARTMENT
SUBJECT: APPROVAL - THIRD AMENDMENT TO BLANKET PURCHASE ORDER 166906 FOR ONE YEAR EXTENSION AND INCREASED COMPENSATION FOR FERRIC CHLORIDE DELIVERY

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by Santa Rosa Water and the Finance Department that the Board of Public Utilities, by motion, approve the Third Amendment to Blanket Purchase Order (BPO) 166906 with Texas Pencco, Inc., Sealy, Texas, for ferric chloride delivery to extend the BPO for a one-year period with no increase in unit price and to increase compensation in the amount of $300,000.00 for a not to exceed cumulative value of $1,672,082.99.

EXECUTIVE SUMMARY

Santa Rosa Water and the Finance Department request approval of the Third Amendment to BPO 166906 for ferric chloride delivery for a one-year extension and to increase compensation in the amount of $300,000. The BPO term expires on May 31, 2025.

BACKGROUND

Ferric chloride (ferric) is fed into the Laguna Treatment Plant's (LTP) influent flow in proportion to the volume of sewage received each day. The ferric binds with solids in the primary treatment process and is transported with the solids to the digesters, where it controls hydrogen sulfide production in digester gas. Hydrogen sulfide must be kept to low levels in digester gas to prevent corrosion in the combined heat and power engines which utilize digester gas to produce heat and power for use at LTP.

On May 24, 2022, the Assistant City Manager approved a bid award of Invitation for Bids (IFB) 22-16 and issuance of a BPO for a one-year period, with four (4) one-year renewal options for the delivery of ferric chloride with Texas Pencco, Inc., in the amount of $100,000. The deliveries come from the facility located in Stockton, California.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On March 16, 2023, the Board of Public Utilities approved the First Amendment to add funds, extend the term for one year, and increase compensation in the amount of $659,667.83.

On June 20, 2024, the Board of Public Utilities approved the Second Amendment to extend the term for one year and increase compensation in the amount of $612,415.16.

ANALYSIS

Texas Pencco, Inc. has submitted a one-year extension proposal with no increase in unit price.

Staff recommends that it is in the City's best interest to extend this Blanket Purchase Order for ongoing needs.

Under the City's Contract/Purchase City Code 3-08-110(A) Award Authority, this Amendment requires approval by the Board of Public Utilities.

FISCAL IMPACT

Funds for this expense are appropriated in GL key 130802 . As a regular operating expenditure, the services, as described, will continue to be budgeted for in future years. Approval of this action does not have an impact on the General Fund.

ENVIRONMENTAL IMPACT

The Board finds pursuant to CEQA Guidelines Section 15378, the proposed action is not a "project" subject to the California Environmental Quality Act (CEQA) because it does not have a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In the alternative, the proposed action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the project may have a significant effect on the environment.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

Not applicable.

PRESENTER

John Walker, Wastewater Treatment Superintendent