

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: DEBORAH LAUCHNER, CHIEF FINANCIAL OFFICER, FINANCE
DEPARTMENT
AMY CARTER, BUYER, FINANCE DEPARTMENT
SUBJECT: CONTRACT EXTENSION – SUPPLY OF DEWATERING
POLYMER SERVICES FOR LAGUNA WASTEWATER
TREATMENT PLANT

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Finance and Water Departments that the City of Santa Rosa Board of Public Utilities, by resolution, approve the Second Amendment to Contract F000929 for a three-year contract extension with no rate increase for the supply of dewatering polymer to the Laguna Wastewater Treatment Plant to SNF Polydyne, Inc., Riceboro, Georgia, in an amount not to exceed \$630,000, for a total not to exceed amount of \$1,050,000. Funding for this expense if included in the Water Department fiscal year 2016-17 adopted budget. As a regular operating expenditure, the services as described are expected to be included in subsequent years' budget proposals when presented to the City Council.

EXECUTIVE SUMMARY

Supply of polymer to the Laguna Treatment Plant for the dewatering of biosolids is being supplied under current contract with SNF Polydyne, Inc. and is due to expire on April 30, 2017.

BACKGROUND

On November 20, 2014, Request for Proposals (RFP) 14-50, solicited by the City for a dewatering polymer supply contract was opened by the City Purchasing Agent. A contract was awarded for a one-year term with 4 one-year extension options.

Polymer is a chemical used in the wastewater treatment process at the Laguna Wastewater Treatment Plant. The polymer acts to remove water from digested biosolids, thickening the material and reducing its weight. This makes the biosolids easier to handle and reduces transportation cost to move the material to the City's

CONTRACT EXTENSION – POLYMER SVS FOR LTP

PAGE 2 OF 3

compost facility, biosolids storage area, in-county agricultural land application sites and the out-of-county landfill disposal site. Polymer will be delivered to the treatment plant in plastic containers referred to as “totes” that are connected by a hose directly to the polymer blend system. The totes eliminate the need for on-site storage tanks, can be easily moved about the plant with a lift truck, and are returned to the vendor when empty.

After a thorough evaluation of each of the four proposals received through the RFP process, including polymer performance testing and evaluation, SNF Polydyne, Inc. and their formula Clarifloc R (WE) 1452 was determined to offer the best value to the City.

The current contracted services have been provided satisfactorily. This is the second request for contract extension leaving no remaining extension options.

Section 6(a) of the original Agreement is revised to correct the last sentence indicating that the contract was “one year with four one-year extensions for a total of four years”. It is corrected to reflect that it is for a “total of five years”.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On April 16, 2015, the Board of Public Utilities awarded a one year contract with four one-year contract extension options. On May 19, 2016, the Board of Public Utilities awarded a one year contract extension with no increase in price.

ANALYSIS

The vendor has offered a three-year extension with no rate increase. SNF Polydyne’s unit price for the polymer was approximately 30% lower than the next lowest bidder when the contract was bid in 2014. The current U.S Bureau of Labor Statistics Producer Price Index (PPI) for Other Chemical Product & Preparation Manufacturing (Series ID: PCU3259) for March 2015-March 2017 indicates a 1.7% increase.

Water and Finance staff consider it to be in the City’s best interest to extend the contract with SNF Polydyne, Inc. for an additional three-year term with no increase in contract unit price. Approval of this three-year extension will leave no additional extension options available for future contract amendments.

FISCAL IMPACT

Funds required for this operational expense have been appropriated in Fiscal Year 2016-17 adopted budget of the Water Department and as a regular operating expense, will be included in future budget proposals when presented to BPU and Council.

ENVIRONMENTAL IMPACT

Not Applicable. This action is exempt from the California Environmental Quality Act

CONTRACT EXTENSION – POLYMER SVS FOR LTP
PAGE 3 OF 3

(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

NOTIFICATION

ATTACHMENTS

- Attachment 1 – Second Amendment
- Resolution

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