

RESOLUTION NO. 1273

RESOLUTION OF THE BOARD OF PUBLIC UTILITIES AUTHORIZING AN AMENDMENT TO BLANKET PURCHASE ORDER 165125 WITH THATCHER COMPANY OF CALIFORNIA, INC. TO ADD FUNDS IN THE AMOUNT OF \$150,000 FOR A TOTAL NOT TO EXCEED \$250,000

WHEREAS, the City Water Department has a requirement to control hydrogen sulfide levels in the anaerobic digester gas, located at the Laguna Wastewater Treatment Plant; and

WHEREAS, on May 17, 2018, as a result of the competitive solicitation under Invitation for Bid 18-40, the Board of Public Utilities awarded General Services Agreement F001686 to Thatcher Company of California, Inc. for the purchase of ferric chloride, with four, one-year, optional extensions. With Board approval, the agreement has been extended through May 18, 2022; and

WHEREAS, Thatcher Company of California, Inc. is the City's current supplier of ferric chloride for hydrogen sulfide control; and

WHEREAS, on August 12, 2021, the Laguna Treatment Plant ran out of ferric chloride due to an industry-wide supply chain shortage; and

WHEREAS, on August 20, 2021, Thatcher Company of California, Inc. was awarded emergency Blanket Purchase Order 165125 to supply a substitute product for hydrogen sulfide control; and

WHEREAS, on October 1, 2021, the City Water Department learned that the ferric chloride shortage is expected to last through November 2021; and

WHEREAS, emergency Blanket Purchase Order 165125 with Thatcher Company of California, Inc. does not have adequate funding to continue ordering a substitute product through November 2021; and

WHEREAS, the Board of Public Utilities has considered the report of City staff and has concluded that purchasing a substitute product through Thatcher Company of California, Inc. for hydrogen sulfide control would be in the City's best interest.

NOW, THEREFORE, BE IT RESOLVED that the Board of Public Utilities hereby authorizes an amendment to Blanket Purchase Order 165125 with Thatcher Company of California, Inc. to add funds in the amount of \$150,000 for a total not to exceed \$250,000 to continue purchasing a substitute product in place of ferric chloride.

