

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: CHAIR AND BOARD MEMBERS
FROM: AMY CARTER, ACTING SENIOR BUYER, FINANCE
DEPARTMENT
SUBJECT: APPROVAL OF FIRST AMENDMENT TO BLANKET PURCHASE
ORDER 170369 – ONE-YEAR EXTENSION, PRICE INCREASE,
AND INCREASE COMPENSATION FOR IRON SPONGE MEDIA
REMOVAL, REPLACEMENT, AND DISPOSAL SERVICES WITH
CARBON SUPPLY, INC.

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 First Amendment to Blanket Purchase Order (BPO) 170369 to extend the term one year, increase unit cost, and increase compensation for Iron Sponge Media Removal, Replacement, and Disposal services to Carbon Supply, Inc., of Bell Gardens, California, in the amount of \$100,000, for a total cumulative amount not to exceed \$197,000.

EXECUTIVE SUMMARY

Iron Sponge media removal, replacement, and disposal services are required by the Water Department to maintain the digester gas sulfide removal process, as required by regulation and the cogeneration engine manufacturer's limits.

BACKGROUND

On September 25, 2023, the City Manager approved BPO Number 170369 for iron sponge media removal, replacement, and disposal services for a one-year term with four (4) one-year extension options in the amount of \$97,000 to Carbon Supply, Inc., of Bell Gardens, California.

The Laguna Treatment Plant (LTP) utilizes methane gas produced by the anaerobic digesters as a fuel for the cogeneration engines at LTP. The engines, located in the Combined Heat and Power Facility (CHP), provide both electrical power to the plant and heat for the digestion process. Prior to utilizing the fuel at the engines, certain

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contaminants need to be removed to meet fuel quality standards set by the Bay Area Air Quality Management District and by the engine manufacturer. One of those contaminants, sulfide, is removed by the Iron Sponges, which use an iron oxide-laden media that periodically needs to be replaced as the active chemical is gradually depleted with the flow of gas through the unit(s). The frequency of media replacement is determined primarily by the volume of digester gas produced and treated and the amount of sulfides removed from the gas.

Carbon Supply provides all qualified labor, equipment, and transportation necessary for iron sponge media removal, replacement, and disposal services, and continue to provide satisfactory services.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

Not applicable.

ANALYSIS

Carbon Supply, Inc. has submitted a written offer to extend firm fixed pricing for another one-year term with a 2% percent increase to pricing. The increase reflects the increase in prevailing wage predetermined by the California Department of Industrial Relations which shows a 2% increase. Carbon Supply, Inc.'s proposal is considered fair and reasonable.

FISCAL IMPACT

Funds required for this operational expense have been appropriated in the fiscal year 2024-25 adopted budget of the Water Department. As a regular ongoing operating need, funds for this type of expenditure will continue to be included annually in the proposed budget for the Water Department. Approval of this action does not have a fiscal impact on the General Fund.

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.

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NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 - Cost Sheet

PRESENTER

John Walker, Wastewater Treatment Superintendent
Jennifer Myles, Senior Buyer