

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: CHAIR AND BOARD MEMBERS
FROM: TRACY VERA, BUYER, FINANCE DEPARTMENT
SUBJECT: APPROVAL – BID AWARD AND ISSUANCE OF A BLANKET
PURCHASE ORDER FOR LIQUID ALUMINUM SULFATE

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by Santa Rosa Water and the Finance Department that the Board of Public Utilities, by motion, approve a bid award and issuance of a one-year Blanket Purchase Order with four (4) one-year extension options for liquid aluminum sulfate (liquid alum) supply for the Laguna Treatment Plant to Chemtrade Chemicals Corporation, dba Chemtrade Chemicals US LLC (Chemtrade) in an amount not to exceed \$154,275.

EXECUTIVE SUMMARY

This motion will award a one-year Blanket Purchase Order (BPO), with four (4) one-year extension options to Chemtrade Chemicals Corporation, dba Chemtrade Chemicals US LLC for liquid alum. Liquid alum is a flocculant used at the Laguna Wastewater Treatment Plant causing biosolids particles to coagulate, facilitating the easy removal of solids from wastewater.

BACKGROUND

Santa Rosa Water uses liquid alum as a flocculant at the Laguna Wastewater Treatment Plant. Liquid alum causes biosolids particles to coagulate, facilitating the easy removal of solids from wastewater. Deliveries of liquid alum come in bulk form by tanker truck. The current BPO that provides for liquid alum expires on July 31, 2025, and there are no extension options remaining.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

Not applicable.

ANALYSIS

Santa Rosa Water submitted Purchase Request R169388 for the bid of liquid alum. On

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May 29, 2025, Invitation for Bids (IFB) 25-44 was opened by the City's Purchasing Department. One hundred and ninety-four vendors were notified of the bid solicitation, which resulted in a list of fourteen (14) prospective bidders. Two (2) prospective bidders submitted letters stating that they were unable to submit a bid at this time and one (1) responsive and responsible bid was received from Chemtrade.

The bid received from Chemtrade is a 10.87% increase from the current pricing for liquid alum. The producer price index (PPI) data for sulfuric acid, one of the raw materials used in the liquid alum manufacturing process (PPI industry data, Series ID: PCU3251803251809) from May 2024 to May 2025 shows an increase of 66.34%.

On May 23, 2025, Thatcher Company of California, Inc. (Thatcher), the City's current supplier of liquid alum, completed a transaction for the sale by Thatcher and the purchase by Chemtrade of certain assets related to Thatcher's aluminum sulfate business, thus limiting the suppliers of this product.

Based on the information provided and the limited suppliers for liquid alum, staff deems it in the City's best interest to approve a bid award and issuance of a one-year Blanket Purchase Order with four (4) one-year extension options to Chemtrade in an amount not to exceed \$154,275.

FISCAL IMPACT

Funding for this expense is included in the Water Department Fiscal Year 2025-26 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.

ENVIRONMENTAL IMPACT

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

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Not applicable.

PRESENTER

James Austin, Acting Wastewater Treatment Superintendent