

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: CHAIR AND BOARD MEMBERS
FROM: JENNIFER MYLES, SENIOR BUYER, FINANCE DEPARTMENT
SUBJECT: APPROVAL OF FOURTH AMENDMENT TO BLANKET
PURCHASE ORDER 162312 FOR ONE YEAR EXTENSION FOR
LIQUID ALUMINUM SULFATE SUPPLY

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 Fourth Amendment to Blanket Purchase Order 162312 for a one-year extension period with a 2.22% increase in unit price for liquid aluminum sulfate supply for the Laguna Treatment Plant to Thatcher Company of California, Inc. increasing compensation in the amount of \$188,456.25, for a total amount not to exceed \$669,575.44.

EXECUTIVE SUMMARY

The Water Department has a need for continuing liquid aluminum sulfate (liquid alum) supply for the Laguna Wastewater Treatment Plant. The current one-year Blanket Purchase Order is due to expire on July 31, 2024. This is the last extension option for this service.

BACKGROUND

Liquid alum is a flocculent used at the Laguna Wastewater Treatment Plant. Liquid alum causes solids particles to coagulate for efficient removal from wastewater. Deliveries will be in bulk form by tanker truck.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On July 2, 2020, the Board of Public Utilities awarded RFQ 20-63 and issuance of a Blanket Purchase Order for one year with four one-year extensions in the amount not to exceed \$115,492.31.

On July 15, 2021, the Board of Public Utilities approved a one-year extension with a 5% increase in unit price for a not to exceed amount of \$121,267.50.

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On July 21, 2022, the Board of Public Utilities approved a one-year extension with a 52% increase in unit price for a not to exceed amount of \$184,359.38.

On April 10, 2023, Assistant City Manager approved a one-year extension with no increase in unit price for a not to exceed amount of \$60,000.

ANALYSIS

On May 22, 2024, Thatcher Company of California Inc. submitted a one-year extension proposal with a 2.22% increase to unit price. The increase to unit price is due to an increase in freight cost associated to transportation and fleet driver compensation. This is the final extension option and the contract will need to be rebid next year. Based on the information provided, staff deems it in the City's best interest to extend the Blanket Purchase Order term for a final one-year period. Thatcher Company of California Inc. continues to provide satisfactory delivery services.

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 have been budgeted in the Regional Reuse Enterprise's Fiscal Year 2024-25 O&M budget. . 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.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 – Exhibit B-3 Compensation Schedule

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PRESENTER

John Walker, Water Department
Brandalyn Tramel, Purchasing Agent, Finance Department