



Staff Report

Annual Requirements Contract for Caustic Soda, Project 22-0067

City Council Meeting Date: 03-29-2022 | Action Being Considered: Minute Order

RECOMMENDATION

Authorize the City Manager or his designee to execute an annual requirements contract for caustic soda with Petra Chemical Company, LLC, of Dallas, Texas, in the estimated amount of \$834,535. Petra Chemical Company, LLC, is not an MWBE firm.

PRIOR BOARD OR COUNCIL ACTION

None.

ANALYSIS

This contract is for caustic soda which is a chemical that is used in the water treatment process. The caustic soda is used to adjust the pH (stability) of the water to ensure that it does not corrode distribution lines and home plumbing. Caustic soda will be provided on an as-needed basis.

Bid closed:	February 10, 2022 at 2:00 p.m.
Vendors notified through IonWave:	271
MWBE Vendors notified through IonWave:	41
Vendors who viewed proposal:	8
MWBE Vendors who viewed proposal:	0
Proposals received:	2
MWBE proposals received:	0
Original contract term:	One year/two one-year renewals
Current term:	Initial term (April 1, 2022 – March 31, 2023)

VENDOR	MWBE	TOTAL
Petra Chemical Company LLC Dallas, Texas	N	\$834,535
Univar Charlotte, North Carolina	N	\$987,375

FINANCIAL IMPACT

Petra Chemical Company, LLC, returned the lowest responsive bid for an estimated amount of \$834,535. The Water Utilities Department and the Finance Department agree that Petra Chemical Company, LLC, met the bid specification requirements. The contract term is for one year and will be reviewed annually to determine subsequent renewal terms. The projected financial impact for this contract term is as follows:

<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
\$625,901.25	\$208,633.75	\$0

Funds are budgeted in Water Utilities Water Treatment Operations PB Account No. CC620101-SC0508 [\$333,814] and Water Utilities Water Treatment Operations JK Account No. CC620105-SC0508 [\$500,721] and subject to FY2023 budget approval.

ADDITIONAL INFORMATION

Attached:	None
Under separate cover:	None
Available in the Purchasing Office:	Bid file
Form 1295:	Yes
MWBE:	No

STAFF CONTACT(S)

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