



OPERATIONS COMMITTEE

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Agenda Report

File #: 2023-2884

Agenda Date: 4/5/2023

Agenda Item No: 10.

FROM: Robert Thompson, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

**REGIONAL ODOR AND CORROSION CONTROL SERVICES (ROCCS) PROGRAM AGREEMENT,
SPECIFICATION NO. C-2023-1378BD**

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Chemical Supplier Agreement to Hill Brothers Chemical Company for Regional Odor and Corrosion Control Services, Specification No. C-2023-1378BD, for the period beginning May 1, 2023 through April 30, 2024, for the:
 - 1. Supply and delivery of ferrous chloride at the unit price of \$1,357 per dry ton delivered plus applicable tax; Application Services at a unit price of \$32.50 per site per day; Field Services at a unit price of \$32.50 per site per day; and a delivery surcharge of \$700 per delivery for low dosage sites of ferrous chloride only, including but not limited to Crystal Cove Pump Station and Tiffany Lift Station for an estimated total annual amount of \$5,387,770;
 - 2. Supply and delivery of magnesium hydroxide at a unit price of \$685 per dry ton delivered plus applicable tax; Application Services at a unit price of \$80 per site per day; Field Services at a unit price of \$80 per site per day; demurrage fee for mobile dosing of \$8 per hour; and demurrage of \$720 per dry ton delivered for an estimated total annual amount of \$2,694,630;
 - 3. Supply and delivery of calcium ammonium nitrate (CAN-17) at a unit price of \$5 per gallon delivered plus applicable tax; Application Services at a unit price of \$32.50 per site per day; Field Services at a unit price of \$32.50 per site per day; and a Crystal Cove delivery fee of \$700 per delivery for an estimated total annual amount of \$1,186,844; and
 - 4. An annual not to exceed agreement allowance of \$100,000 for mobilization and demobilization services; and
- B. Approve the option to renew the Chemical Supplier Agreement over a five-year period, expiring April 30, 2028, with renewal terms not to exceed a 12-month term; and
- C. Approve renewal adjustments of unit pricing with a not to exceed 25% contingency.

BACKGROUND

The Orange County Sanitation District (OC San) Regional Odor and Corrosion Control Services (ROCCS) program uses chemical dosing in its collection system to reduce the formation of hydrogen sulfide gas in the vapor space of its sewer pipes. Hydrogen sulfide is a nuisance odorant that smells like rotten eggs and can cause corrosion of concrete and steel. The ROCCS program operates 10 remote continuous chemical dosing sites in nine member-agency-cities to reduce odors and extend the pipes' life expectancy. Staff maintains oversight and daily interaction with the outsourced service providers.

This agreement provides continuous chemical dosing within the regional trunk system and major tributary sewers using a combination of three chemicals for various applications. In addition to supplying the chemicals, the suppliers provide all necessary equipment, including tanks, containment, pumps, piping, secure fencing, and equipment monitoring to determine tank levels, leaks, and pump rates.

RELEVANT STANDARDS

- 12 or fewer odor complaints per year under normal operating conditions in the collection system
- Zero odor incidents/events under normal operating conditions for Plant Nos. 1 and 2
- Operate and maintain facilities to minimize impacts on surrounding communities, including odor, noise, and lighting

PROBLEM

The current agreement with the service provider(s) will expire this fiscal year with no remaining renewals.

PROPOSED SOLUTION

Staff recommends approving the Chemical Supplier Agreement to Hill Brothers Chemical Company for the ROCCS program.

TIMING CONCERNS

If no action is taken, odor and corrosion control service will lapse.

RAMIFICATIONS OF NOT TAKING ACTION

Without action, ferrous chloride, magnesium hydroxide, and calcium nitrate addition in the collection system will cease. Normal biological activity in the sewer system will produce uncontrolled hydrogen sulfide which causes odor and corrosion problems in the collection system.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

OC San requested and advertised for proposals for the Regional Odor Control and Corrosion Control Program, Specification No. C-2023-1378BD, on January 5, 2023. The following evaluation criteria were described in the Request for Proposal (RFP) and used to determine the most qualified vendor.

CRITERION	WEIGHT
Qualifications & Experience of Firm	20%
Proposed Staffing and Project Organization	20%
Work Plan	30%
Cost	30%

Two proposals were received on February 7, 2023 and evaluated in accordance with the evaluation process set forth in OC San's Purchasing Ordinance by the pre-selected Evaluation Team. The evaluation team first reviewed and scored the proposals based on the above criteria, other than cost. Afterward, both cost proposals were opened and evaluated.

Rank	Proposer	Subtotal Score Without Cost (Max 70%)	Cost (Max 30%)	Total Weighted Score (Max 100%)
1	Hill Brothers Chemical Co.	68%	30%	98%
2	US Peroxide, LLC	58%	29%	87%

Cost information is as follows:

Rank	Proposer	Total Estimated Annual Cost
1	Hill Brothers Chemical Co.	\$9,319,241
2	US Peroxide, LLC	\$9,427,990

Hill Brothers had the highest-scoring technical proposal and the most competitive cost proposal; therefore, staff recommends approving the new Chemical Supplier Agreement for the ROCCS program to Hill Brothers Chemical Company.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This recommendation will be funded under the Supplies line item for Division 820, Collections Facilities

Operations and Maintenance (Adopted Budget, FY 2022-23 & 2023-24, Section 6, Page 76). The available funding is sufficient for this action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

- Chemical Supplier Agreement