



OPERATIONS COMMITTEE

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Agenda Report

File #: 2023-3070

Agenda Date: 9/6/2023

Agenda Item No: 5.

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

SUBJECT:

SODIUM HYDROXIDE (NAOH)(CAUSTIC SODA) 50% SOLUTION

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Award a Chemical Supplier Agreement to Brenntag Pacific, Inc. for the purchase of sodium hydroxide (caustic soda) 50% solution, Specification No. C-2023-1417BD, for the period of October 1, 2023 through September 30, 2024, for a unit price of \$676 per dry ton, delivered, plus sales tax, for a total estimated annual amount of \$672,620;
- B. Approve option to renew the Chemical Supplier Agreement for up to four (4) one-year periods; and
- C. Approve renewal adjustments of unit pricing with a not to exceed 25% contingency.

BACKGROUND

The Orange County Sanitation District (OC San) utilizes two programs for controlling odor and corrosion in the collection system: continuous chemical dosing and intermittent dumping of sodium hydroxide (caustic soda). In 1989, OC San began using caustic soda to prevent the generation of hydrogen sulfide in the sewer trunk lines which causes odor and corrosion. Specific trunklines not treated by continuous-chemical dosing facilities are a candidate for intermittent dosing with caustic soda. For these sewers, caustic soda is batch dumped from the supplier's tank truck directly into the pipeline. This shock-dose treatment kills the bacteria layer on the inside of the pipe that forms hydrogen sulfide (dissolved and gaseous) in the sewage. Hydrogen sulfide generation levels are monitored through routine sampling and compared to pre-established acceptable levels of service.

RELEVANT STANDARDS

- Comply with Odor Control Master Plan
- 12 or fewer odor complaints per year under normal operating conditions in the collection system
- Protect OC San assets

PROBLEM

The conveyance of wastewater in the collection system has the potential to cause odor nuisance complaints in the surrounding community and produce acids that degrade concrete and metal structures, thus reducing their useful life. The current agreement with the service provider will expire this fiscal year with no remaining renewals.

PROPOSED SOLUTION

Staff recommends awarding the Chemical Supplier Agreement to Brenntag Pacific, Inc. to continue the intermittent dosing portion of the Regional Odor and Corrosion Control System.

TIMING CONCERNS

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

RAMIFICATIONS OF NOT TAKING ACTION

Increased odor complaints could lead to organized public protests and increased costs associated with more frequent rehabilitation of assets.

PRIOR COMMITTEE/BOARD ACTIONS

May 2022 - Board of Directors approved a unit price contingency increase of \$44.40 per dry ton (an additional 6% of the base cost) to the liquid caustic soda (50%) contract, Specification No. C-2018-915BD, with Brenntag Pacific for the term July 1, 2022 through June 30, 2023, for a new total contingency amount not to exceed \$112.80 per dry ton (16%) with a total estimated usage of \$481,153.

May 2018 - Awarded a Chemical Supplier Agreement to Brenntag Pacific, Inc. for purchasing sodium hydroxide (caustic soda) 50% solution, Specification No. C-2018-915BD, for the period of July 1, 2018 through June 30, 2019, for a unit price of \$684/dry ton, delivered, plus sales tax, for an estimated annual amount of \$967,005 with four one-year renewal options; and approved a unit price contingency of 10%.

ADDITIONAL INFORMATION

A Notice Inviting Bids (NIB) was issued on July 11, 2023, via PlanetBids, and closed on August 8, 2023. OC San received one bid valid for 180 calendar days from the bid opening date. A bridge agreement is currently in place for term of July 1, 2023 to September 30, 2023.

Company Name	Bid	Determination
Brenntag Pacific, Inc.	\$672,620.00 \$676.00 / DT Delivered	Responsive Responsible
PENNCO	NO BID	N/A
UNIVAR SOLUTIONS USA, INC.	NO BID	N/A

Based on these results, staff recommends awarding the agreement to Brenntag Pacific, Inc. The agreement's term will tentatively begin on October 1, 2023, and through September 30, 2024; with four proposed optional renewals.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with the authority levels of OC San's Purchasing Ordinance. The amount is budgeted in Division 820 fiscal year 2023-24, Budget Update, Operating Materials and Supplies, Page 23.

ATTACHMENT

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

- Chemical Supplier Agreement

CT:DS:sr