



OPERATIONS COMMITTEE

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Agenda Report

File #: 2022-2622

Agenda Date: 11/16/2022

Agenda Item No: 7.

FROM: James D. Herberg, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

PURCHASE OF SODIUM HYPOCHLORITE (BLEACH SOLUTION) FOR ODOR CONTROL AND PLANT WATER DISINFECTION IN THE TREATMENT PLANTS

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Approve a Chemical Supplier Agreement to Olin Corporation dba Olin Chlor Alkali Products and Vinyls for the purchase of Sodium Hypochlorite (Bleach), Specification No. C-2022-1346BD, for the period beginning December 1, 2022 through May 31, 2023 for a unit price of \$1.728 per gallon delivered, plus applicable sales and excise tax, for a total estimated cost of \$632,708;
- B. Approve the option to renew the Chemical Supplier Agreement over a five-year period, expiring November 30, 2027, with renewal terms not to exceed a 12-month term; and
- C. Approve renewal adjustments of unit pricing with a not to exceed unit price of \$2.16/gallon (25%).

BACKGROUND

Orange County Sanitation District (OC San) utilizes sodium hypochlorite (bleach) for treatment of foul air collected from the collection system and the treatment plants. The foul air is treated in chemical scrubbers using sodium hypochlorite in accordance with AQMD requirements for oxidizing hydrogen sulfide from the foul air. Sodium hypochlorite is also used to disinfect plant water that is used in the treatment plants. Additionally, sodium hypochlorite is required, per NPDES permit requirements, to be available for emergency outfall disinfection purposes.

Staff estimates 61,000 gallons of bleach usage per month at the treatment plants.

Like many chemicals in the current economy, sodium hypochlorite has been subject to volatile pricing and supply constraints. In this environment, the vendors suggested an initial contract length of six months to limit pricing risk to both OC San and the vendors.

RELEVANT STANDARDS

- Operate and maintain facilities to minimize impacts on surrounding communities, including odor, noise, and lighting
- Zero odor incidents/events under normal operating conditions for Plant Nos. 1 and 2
- Comply with environmental permit requirements
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard

PROBLEM

OC San requires a contract to be in place before the existing contract expires on November 30, 2022. Bleach is required to meet permit obligations and to support wastewater treatment process needs at Plant Nos. 1 and 2.

PROPOSED SOLUTION

Staff recommends approving a chemical supplier agreement to Olin Corporation dba Olin Chlor Alkali Products and Vinyls for the purchase of Sodium Hypochlorite.

TIMING CONCERNS

OC San requires a contract to be in place before the existing agreement expires on November 30, 2022.

RAMIFICATIONS OF NOT TAKING ACTION

Shortages in available bleach will impede OC San’s ability to fulfill AQMD and NPDES permit requirements and to control and mitigate odors at both plants, ability to disinfect plant water for safe reuse, and meet permit obligations for disinfection in the event of effluent discharge out the one-mile emergency outfall.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

A notice inviting Bids was issued on July 14, 2022 via PlanetBids and closed on August 10, 2022. Two bids were received for procurement; below is a list of firms that submitted a bid:

Vendor	Bid	Determination
Olin Corporation dba Olin Chlor Alkali Products and Vinyls	\$632,708.00	Responsive
JCI Jones	\$825,052.70	Responsive

Based on these results, staff recommends awarding the chemical supplier agreement to Olin Corporation dba Olin Chlor Alkali Products and Vinyls. The term of this agreement will begin December 1, 2022 through May 31, 2023 with the option to renew the Chemical Supplier Agreement over a five-year period, expiring November 30, 2027, with renewal terms not to exceed a 12-month term.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted in the FY2022-2023 Operating Budget, Division 830, Supplies line item (Section 6, Page 84) and Division 840, Supplies line item (Section 6, Page 88). 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

JS:JL:cf