Agenda Report Details (With Text)

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Title:	AGREEMENT FOR THE PURCHASE OF LIQUID CATIONIC POLYMER, SPECIFICATION NO. C-2019-1087BD				
Sponsors:	Rob Thompson				
Indexes:					
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Attachments:	1. Agenda Report, 2. C-2019-1087BD Final Chemical Supplier Agreement, 3. File Summary				

Date	Ver.	Action By	Action	Result
12/18/2019	1	BOARD OF DIRECTORS		
12/4/2019	1	OPERATIONS COMMITTEE	Recommended for Approval	

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

AGREEMENT FOR THE PURCHASE OF LIQUID CATIONIC POLYMER, SPECIFICATION NO. C-2019-1087BD

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

A. Approve a Chemical Supplier Agreement with Polydyne, Inc. for the purchase of Cationic Polymer, Specification No. C-2019-1087BD, for the period beginning February 1, 2020 through January 31, 2021 for a unit price of $2.548 per active pound plus freight and applicable sales tax, for a total estimated annual amount of $3,866,280 with four (4) one-year renewal options; and

B. Approve an annual unit price contingency of 15%.

BACKGROUND

The cationic polymer is a crucial chemical in the thickening and dewatering processes. The Orange County Sanitation District (Sanitation District) currently uses cationic polymer to dewater digested sludge in the centrifuges at both Plant Nos. 1 and 2. It is mixed into the digested biosolids prior to the dewatering centrifuge process to induce coagulation and to improve dewaterability. Cationic polymer is also used to thicken primary and secondary solids at both Plant Nos. 1 and 2. The thickening process increases the concentration of solids introduced to the digesters which is

necessary to maintain regulatory standards for digester detention time and volatile solids reduction.

The unit cost of $2.548 per active pound is a 13% savings from the current unit cost of $2.947 per active pound in the current contract.

RELEVANT STANDARDS

- Safe, beneficial reuse of Biosolids
- Use all practical and effective means for resource recovery
- Sustain 1, 5, 20-year planning horizons

PROBLEM

The current cationic polymer contract with Polydyne, Inc. will end on January 31, 2019 with no renewals remaining.

PROPOSED SOLUTION

Develop cationic polymer specifications for new and existing thickening processes and conduct the standard competitive bid process to award the agreement to the lowest responsive and responsible bidder.

TIMING CONCERNS

A new agreement needs to be in place prior to the expiration of the current agreement on January 31, 2019.

RAMIFICATIONS OF NOT TAKING ACTION

A shortage in cationic polymer would result in an inability for the Sanitation District's thickening processes to operate correctly which would reduce digester operating volume, reduce biosolids production, and increase offsite biosolids hauling.

PRIOR COMMITTEE/BOARD ACTIONS

November 2018 - Awarded sole source chemical agreement to SNF Polydyne, Inc.

ADDITIONAL INFORMATION

In accordance with Purchasing Ordinance No. OCSD-52, the Sanitation District selected a two-step bidding process which included a Request for Qualifications (RFQ) and a Notice Inviting Bids (NIB). Of the two companies that submitted their samples for testing, only one, Polydyne, Inc., was deemed responsive. The other prospective bidder, Univar, provided a sample, however they did not provide a complete bid and was deemed non-responsive.

Polydyne, Inc. submitted a bid for one polymer type, WE-1233, that had successfully passed the testing process. Staff recommends awarding to the lowest responsive and responsible bidder,

Polydyne, Inc., for the purchase of cationic polymer, type WE-1233.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted in the Proposed Budget Fiscal Years 2018-19 and 2019-20 Division 830 and 840 operating budgets (Line item: Section 6, Pages 84 and 88).

Date of Approval	Contract Amount	Contingency
12/18/2019	$3,866,280	-
12/18/2019	Future Unit Price	15%

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

- Chemical Supplier Agreement

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