



Council Meeting: June 24, 2008

SUBJECT: Award of Request for Proposals No. F0703-77 for Polymer Flocculant for the Water Pollution Control Plant

REPORT IN BRIEF

Approval is requested to award a three-year contract in an amount not to exceed \$1 million per year to Polydyne, Inc. of Riceboro, Georgia, to provide polymer flocculant and technical support to the Water Pollution Control Plant as required by the Public Works Environmental Services Division.

BACKGROUND

Polymer flocculant is an organic chemical compound used in the tertiary processing of wastewater at the Water Pollution Control Plant (WPCP). The polymer bonds with dissolved solids in the secondary effluent to create larger particles that settle out of suspension. The solids can then be collected. Removal of suspended solids and turbidity from the wastewater stream is necessary to meet effluent limitations and other requirements of the plant's discharge permit and standards for disinfected tertiary recycled water, as described in the State of California's Water Recycling Criteria (Title 22).

Monolyte Laboratories, Inc. of Tempe AZ (Monolyte), is the City's current supplier of polymer. Monolyte was selected and a contract was awarded by a Request for Proposals solicitation that was issued in 2001. The contract with Monolyte has since been extended through June 30, 2008. On May 15, 2007, when Council approved the third extension of the contract (RTC 07-160), it directed staff to seek new competitive proposals for the purchase of polymer when the contract expired.

Polymer formulations are customized for the unique environmental and atmospheric conditions of the facility using the product. Because failure of the selected polymer could result in permit violations, significant monetary penalties, and disallowance to discharge, potential polymer suppliers were pre-qualified to determine if their product would meet the needs of the unique conditions at the Sunnyvale WPCP.

Monolyte Laboratories, submitted a polymer different from the polymer it had been providing the City with for the past three years. Unfortunately, the new formulation failed full scale testing and disqualified the company from submitting pricing in the Request for Proposal (RFP) phase of the solicitation process.

RFP F0703-77, to provide pricing and hourly rates for polymer and technical support for a three-year contract, was then prepared and sent to the two pre-qualified suppliers. Based on polymer dosages used during the full scale demonstration test, staff provided the two pre-qualified suppliers with an Adjusted Dosage calculation on which to provide pricing. When the Adjusted Dosage was combined with a supplier's proposed cost per pound for polymer and specified annual treatment volume, it resulted in an estimate of the WPCP's annual polymer cost for that supplier's product. Suppliers were also required to specify a Maximum cost per Million Gallons per Day [MGD].

On May 14, 2008, proposals were received from the two pre-qualified suppliers, as follows:

Polydyne, Inc.

Ashland Inc.

\$.90/lb of polymer

\$1.21/lb of polymer

\$89.3214/MGD Maximum
Cost for 10 NTU [NPDES] discharge
discharge

\$105.91/MGD Maximum
Cost for 10 NTU [NPDES]

\$207.92/MGD Maximum
Cost for 2 NTU [Title 22] discharge

\$240.92/MGD Maximum Cost
for 2 NTU [Title 22] discharge

The proposals were evaluated by a committee led by the WPCP Operations Manager which included representatives of the Department of Public Works Environmental Services Division.

Following a comprehensive review of the written proposals, the committee unanimously agreed that the proposal submitted by Polydyne, Inc. offered the best value to the City. Therefore, based on pricing and performance during the full-scale trials staff recommends award of a three-year contract to Polydyne, Inc., who offered the proposal that was in the best interest of the City. Under the terms of the proposed contract, Polydyne, Inc. will maintain their prices for the three-year contract period. The contract also provides that the City can go to bid again after the three years, or extend the contract with Polydyne, Inc. for an additional three years upon mutual agreement as to pricing. Any

extension of the contract beyond the original three-year term will require Council approval at that time.

FISCAL IMPACT

Polymer costs are captured in three activities within Program 344 Wastewater Treatment – 344010, 344030 and 344060. The three activities differentiate, and allow the tracking of, the use of the polymer for NPDES treatment, de-watering, and recycled water treatment [Title 22]. The costs of this contract are budgeted in the two-year operating budget and for the remainder of the twenty-year financial plan.

Expenditures for polymer for the current and last fiscal years were \$1.6 million and \$1.5 million respectively. The proposal submitted by the new vendor estimates a total cost \$600,000 per year. It will take some time for staff to ascertain how the new product performs under various weather scenarios affecting the ponds, and to optimize its use to best effect. Further, the vendor estimate assumes a level projection of recycled water production. Any increase in recycled water production will increase the annual cost, because of the greater demand for polymer to produce recycled water. For these two reasons, staff is recommending that the annual not-to-exceed amount for the contract be set at \$1 million. Following one year of actual operating data with the new product, staff will have a much better basis to refine future operating costs and budget needs.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center and Department of Public Safety; posting the agenda and report on the City's Web site; and making the report available at the Library and the Office of the City Clerk.

RECOMMENDATION

It is recommended that council award a three-year contract, in substantially the same form as the attached draft, and in an amount not to exceed \$1 million per year to Polydyne, Inc. of Riceboro, Georgia, to provide polymer flocculant and related technical support to the Water Pollution Control Plant.

Prepared by:

Mary J. Bradley, Director of Finance

Reviewed by:

Marvin Rose
Director of Public Works

Approved by:

Amy Chan
City Manager

Attachments

Draft Contract

DRAFT

**AGREEMENT BETWEEN CITY OF SUNNYVALE
AND POLYDYNE, INC.
FOR POLYMER FLOCCULANT AND RELATED SERVICES FOR THE WATER
POLLUTION CONTROL PLANT**

THIS AGREEMENT, dated _____, is by and between the CITY OF SUNNYVALE, a municipal corporation ("CITY"), and POLYDYNE, INC. ("CONTRACTOR").

WHEREAS, on April 23, 2008, CITY issued Request for Proposals No. F0703-77 for the supply of polymer flocculant and related technical services at the Water Pollution Control Plant as required for the removal of suspended solids and turbidity from the secondary effluent at that facility; and

WHEREAS, CONTRACTOR has submitted a proposal in response to Request for Proposals F0703-77; and

WHEREAS, CITY has awarded the contract to the CONTRACTOR;

NOW, THEREFORE, THE PARTIES ENTER INTO THIS AGREEMENT.

1. Services

(a) There are attached and incorporated by this reference the following exhibits:

- (1) Exhibit "A", consisting of Pages 1 through 20, inclusive, of that certain document entitled "Request for Proposals No. F0703-77". The document consists of the Invitation, Background, Product Requirements, Scope of Contract, Proposal Content Proposal Pricing, General Conditions/Contractual Requirements, Submittal Deadline, Rights Reserved by the City, Award of Contract, Post Notice of Award Requirements, Failure to Execute and Deliver Documents, Proposal Pricing Pages (3 pages), and Attachments A (Proposal Price Evaluation Procedure), B (Proposer's Price Evaluation Explanation), C (Sample Service Agreement) and D (Treatment Requirements), which was submitted to all prospective proposers.
- (2) Exhibit "B", consisting of Pages 14 through 17, inclusive, of that certain document presenting the response to "Request for Proposals No. F0703-77", as submitted to CITY by CONTRACTOR with additional information provided by CONTRACTOR in response to the Request for Proposals.

- (b) CONTRACTOR shall perform the services described in Pages 4 through 7, inclusive, of Exhibit "A" (Product Requirements, Scope of Contract, Proposal Content) and as detailed in Attachment D.
- (c) The performance of such services shall be governed by Pages 7 through 13, inclusive, of Exhibit "A" (General Conditions/Contractual Requirements, Submittal Deadline, Rights Reserved by the City, Award of Contract, Post-Notice of Award Requirements, Failure to Execute and Deliver Documents).

2. Time for Performance

Time is of the essence in the performance of the Agreement. If services cannot be performed at the specified time, CONTRACTOR shall promptly notify CITY of the earliest possible date for performance of the services. Notwithstanding such notice, if CONTRACTOR, for any reason whatsoever, fails to perform the services within the time specified, CITY may terminate the Agreement or any part thereof without liability except for services previously performed and accepted.

The contract period will be for three (3) years, effective 7/1/2008.

3. Duties of CITY

CITY shall supply any documents or information available to CITY and required by CONTRACTOR for performance of its duties. Any materials provided shall be returned to CITY upon completion of the work.

4. Compensation

CITY agrees to pay CONTRACTOR as full compensation for the services rendered pursuant to this Agreement, the amounts set forth in Exhibit "B". Contract expenditures shall not exceed one million and no/100 Dollars (\$1,000,000.00) per year, and in no event shall the total amount of compensation payable under this three (3) year agreement exceed three million and no/100 Dollars (\$3,000,000.00) unless upon written modification of this Agreement.

5. Conflict of Interest

No officer or employee of CITY shall have any interest, direct or indirect, in this Agreement or in the proceeds thereof. During the term of this Agreement CONTRACTOR shall not accept employment or an obligation which is inconsistent or incompatible with CONTRACTOR's obligations under this Agreement.

6. Confidential Information

CONTRACTOR shall maintain in confidence and at no time use, except to the extent required to perform its obligations hereunder, any and all proprietary or confidential information of CITY of which CONTRACTOR may become aware in the performance of its services.

7. Compliance with Laws

- (a) CONTRACTOR shall strictly adhere to all state and federal laws with respect to discrimination in employment and shall not discriminate against any individual on the basis of race, color, religion, gender, sexual orientation, marital status, national origin, age or disability.
- (b) CONTRACTOR shall comply with all federal, state and city laws, statutes, ordinances, rules and regulations and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of the Agreement.

8. Independent Contractor

CONTRACTOR is acting as an independent contractor in performing the work required by this Agreement and is not an agent, servant or employee of CITY. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between CITY and CONTRACTOR. CONTRACTOR is responsible for paying all required state and federal taxes.

9. Indemnity

CONTRACTOR shall indemnify, defend, and hold harmless the CITY, its officers, officials, employees and volunteers from and against all claims, damages, losses and expenses, including attorney fees, arising out of the performance of the services described in Exhibit "A", caused in whole or in part by any negligent act or omission of CONTRACTOR, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence or willful misconduct of the CITY.

10. Insurance

CONTRACTOR shall take out and maintain during the life of this Agreement policies of insurance as specified in Exhibit "C" attached and incorporated by reference, and shall provide all certificates or endorsements as specified in Exhibit "C."

11. CITY Representative

Joanna DeSa, WPCP Operations Manager, as City Manager's authorized representative, shall represent CITY in all matters pertaining to the services to be rendered under this Agreement. All requirements of CITY pertaining to the services and materials to be rendered under this Agreement shall be coordinated through the CITY representative.

12. CONTRACTOR Representative

Rawlin Castro, Senior Technical Sales Representative, shall represent CONTRACTOR in all matters pertaining to the services and materials to be rendered under this Agreement. All requirements of CONTRACTOR pertaining to the services to be rendered under this Agreement shall be coordinated through the CONTRACTOR representative.

13. Notices

All notices required by the Agreement shall be in writing, and shall be personally delivered or sent by first class mail, postage prepaid or by commercial courier, addressed as follows:

To CITY: Joanna DeSa, WPCP Operating Manager
Public Works/Environmental Services
CITY OF SUNNYVALE
P. O. Box 3707
Sunnyvale, CA 94088-3707

To CONTRACTOR:
Polydyne, Inc.
Attn: Rawlin Castro
P.O. Box 279
Riceboro, GA 31323

Nothing in this provision shall be construed to prohibit communication by more expedient means, such as by telephone or facsimile transmission, to accomplish timely communication. However, to constitute effective notice, written confirmation of a telephone conversation or an original of a facsimile transmission must be sent by first class mail or commercial carrier, or hand delivered.

Each party may change the address by written notice in accordance with this paragraph. Notices delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated as of three days after mailing, unless such date is a date on which there is no mail service. In that event communication is deemed to occur on the next mail service day.

14. Assignment

Neither party shall assign or sublet any portion of this Agreement without the prior written consent of the other party.

15. Termination

If CONTRACTOR defaults in the performance of this Agreement, or materially breaches any of its provisions, CITY at its option may terminate this Agreement by giving written notice to CONTRACTOR. If CITY fails to pay CONTRACTOR, CONTRACTOR at its option may terminate this Agreement if

the failure is not remedied by CITY within thirty (30) days from the date payment is due.

Without limitation to such rights or remedies as CITY shall otherwise have by law, CITY also shall have the right to terminate this Agreement for any reason upon ten (10) days' written notice to CONTRACTOR. In the event of such termination, CONTRACTOR shall be compensated in proportion to the percentage of services performed or materials furnished (in relation to the total which would have been performed or furnished) through the date of receipt of notification from CITY to terminate. CONTRACTOR shall present CITY with any work product completed at that point in time.

16. Entire Agreement; Amendment

This writing constitutes the entire agreement between the parties relating to the services to be performed or materials to be furnished hereunder. No modification of this Agreement shall be effective unless and until such modification is evidenced by writing signed by all parties.

17. Miscellaneous

Time is of the essence in this Agreement. Failure on the part of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision. This Agreement shall be governed and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Agreement.

ATTEST:

CITY OF SUNNYVALE ("CITY")

By _____
City Clerk

By _____
City Manager

APPROVED AS TO FORM:

Polydyne, Inc.
("CONTRACTOR")

By _____
City Attorney

By _____

Title and Date

By _____

Title and Date

EXHIBIT A



CITY OF SUNNYVALE

REQUEST FOR PROPOSALS NO. F0703-77

FOR

POLYMER FLOCCULANT

FOR THE

WATER POLLUTION CONTROL PLANT

APRIL 23, 2008

**PROPOSALS DUE:
WEDNESDAY MAY 14, 2008
BY 3:00PM**

At the Office of the Purchasing Division

**Sunnyvale City Hall Annex
650 West Olive Ave.
Sunnyvale, Ca 94088-3707**

**CONTACT PERSON:
DAVID GAKLE, SENIOR BUYER
(408) 730-7403
dgakle@ci.sunnyvale.ca.us**

Table of Contents

A.....	Invitation	3
B.....	Background	3
C.....	Product Requirements	4
D.....	Scope of Contract	5
E.....	Proposal Content	6
F.....	Proposal Pricing	6
G.....	General Conditions/Contractual Requirements	7
H.....	Submittal Deadline	11
I.....	Rights Reserved by the City	12
J.....	Award of Contract	12
K.....	Post Notice of Award Requirements	13
L.....	Failure of Execute and Deliver Documents	13
M.....	Proposal Pricing Pages (3 pages)	14
	To be returned as part of the proposal submission	
	Attachment A – Proposer’s Price Evaluation Worksheet	
	Attachment B – Proposer’s Price Evaluation Explanation	
	Attachment C – Sample Service Agreement	
	Attachment D – Treatment Requirements	
	Table 1. Treatment Requirements for NPDES Discharge	
	Table 2. Treatment Requirements for Recycled Water Production	

A. Invitation

The City of Sunnyvale requests a written proposal to supply polymer flocculant, as required, for a period of three years, beginning July 1, 2008 for the City of Sunnyvale Water Pollution Control Plant (WPCP), for the purpose of removing suspended solids and turbidity from the secondary effluent. Suspended solids removal is necessary to meet effluent limitations and other requirements of the WPCP's NPDES permit and standards for "disinfected tertiary" recycled water as described in the State of California's "Water Recycling Criteria" (Title 22).

Proposals are being solicited from suppliers who have been prequalified by the City based on their response to the City's Request for Qualifications (RFQ #F0707-14), and who have demonstrated the effectiveness of their product in full-scale tests conducted at the WPCP in September and October of 2007.

The successful proposer will also be required to provide routine ongoing technical support to the WPCP related to the use of the proposer's products, as described herein. Proposers are also expected to provide ongoing product development.

B. Background

The Sunnyvale WPCP is a publicly owned and operated advanced sewage treatment facility with an average effluent flow of approximately 15 million gallons per day (MGD). For discharge to southern San Francisco Bay, the WPCP's NPDES permit requires that this effluent contain less than 10 mg/l CBOD and less than 20 mg/l total suspended solids (monthly average basis), a turbidity of less than 10 NTU (daily maximum), and less than 35 MPN/100 ml enterococcus bacteria (30 day geometric mean). Other effluent limitations also apply. The term "10 NTU" is used in this RFP to refer to the level of treatment required for NPDES discharge.

The WPCP also produces disinfected tertiary recycled water for use at municipal and industrial facilities (primarily for landscape irrigation) in Sunnyvale. The California Code of Regulations Title 22 Water Recycling Criteria define this water as oxidized wastewater (secondary effluent) that has been further treated by coagulation, filtration, and disinfection in a process that provides a C*T of 450 mg-min/liter and results in a total coliform concentration that does not exceed 2.2 MPN/100 ml (7 day median). Prior to disinfection, the turbidity must be reduced to a level of less than 2 NTU on average, and less 5 NTU 95% of the time. (The WPCP determines compliance with turbidity requirements based on the elapsed time since the beginning of a recycled water production run). The term "2 NTU" is used in this RFP to refer to level of treatment required for recycled water. Achieving this more stringent level of treatment normally requires a higher flocculant dose.

Treatment requirements for the 10 NTU and 2 NTU modes are presented in greater detail in Attachment D, Tables 1 and 2, respectively.

The WPCP produces recycled water as-needed to meet recycled water demand and/or to fill a 2 million gallon storage tank. Current estimates are that the WPCP will need to treat approximately 15% of the total plant flow in 2 NTU mode on an annual average basis. (This estimate includes typical 10 NTU to 2 NTU transition times, during which time the higher (2 NTU) polymer dose is applied.). Most of this production will occur during the irrigation season (April-October). On those days when recycled water is produced, production will typically take place over an 8–16 hour period (including transition time), with the plant operating in 10 NTU mode for the remaining hours. The overall percentage of flow treated time in 2 NTU mode may increase over the life of this contract.

See Request for Qualifications No. F0707-14 for additional information on project background and current WPCP operations.

C. Product Requirements

For proposed product to be acceptable, it must:

- Provide a level of treatment that meets all applicable requirements for NPDES discharge (10 NTU mode) and recycled water production (2 NTU mode). Requirements most directly related to the polymer and filter aids products are described in Tables 1 and 2, respectively.
- Result in no net increase in filter headloss (backwash frequency) in 10 NTU mode as compared to current operations.
- Require no backwash during periods of recycled water production (up to 16 hours), under typical WPCP operations. Backwash is deemed to be necessary when filter headloss reaches 4.5 ft in either half.
- Utilize existing storage and delivery equipment. Minor modifications are acceptable if made at supplier's expense.
- Consist of organic polymer for use at AFTs, with the same product to be used for 10 NTU and 2 NTU production modes. Product shall be the same formulation as was used for proposer's full-scale demonstration test at WPCP.
- Exhibit no immediate or long-term adverse impacts on plant operations or NPDES permit compliance. Note: a determination regarding long-term adverse impacts could not be made based on the limited duration of the full-scale prequalification testing performed under RFQ #F0707-14. In particular, the ability to meet turbidity requirements under changing conditions in the WPCP's oxidation ponds, inhibitory effects on the anaerobic digesters, or impacts on the results from whole effluent toxicity testing (acute or chronic tests) could not be evaluated. Therefore, the City will retain the right to cancel the contract and/or secure products from other suppliers at any time if it

determines that use of the proposer's product has an adverse impact on plant operations or on its ability to meet any NPDES or recycled water compliance requirements, including those requirements not listed on Tables 1 or 2.

D. Scope of Contract

The successful proposer shall:

1. Supply flocculant(s) described herein as required throughout the contract term for the Sunnyvale WPCP for the purpose of removal of suspended solids and turbidity from the secondary effluent.
2. Deliver product to the Sunnyvale Water Pollution Control Plant, 1444 Borregas Avenue, Sunnyvale CA 94089. It shall be the proposer's responsibility to connect hoses to Sunnyvale storage tanks, and to satisfactorily clean up any spills related to off-loading. Service air and a connection hose are available for the proposer's use in offloading AFT polymer. A diaphragm pump is available for offloading filter aid. Payment for product delivered will be based on difference in truck weight before and after delivery, using scales to be provided by the City, or weights from other certified public scales acceptable to the City.
3. For each delivery, provide test results and certification that product meets specifications. City may, at its option, conduct testing to verify properties. If the City's test determines that product fails to meet specifications, a written notice will be forwarded to the proposer. The entire delivery from which the sample was taken may be rejected by the City and returned to the proposer at the proposer's expense. Upon written notice of two or more failures to meet product specifications, the City may, at its option, terminate the contract. If this action becomes necessary, the proposer shall be responsible for removal and disposal of any unused product and cleaning of the storage tank. Note: The City encourages the proposer to make product improvements to maintain high levels of treatment in response to changing treatment conditions. If such changes result in deviation from the established specifications, the proposer must notify the WPCP in writing, with the new values on the Certification of Authenticity (COA), and the deviation may be waived by mutual prior consent.
4. Deliver the quantity and quality of polymer products ordered within twenty-one (21) days of being notified by the City that a shipment is required. The quantity, quality, and delivery time are essential and critical obligations of this contract, and will be contractual obligations. Failure to deliver, as obligated, may result in liquidated damages or cancellation of the contract.
5. Provide technical consultation and assistance for normal use of the product(s) as part of the unit price. Such support shall include a minimum of one day per month (on average, exclusive of travel) on-site support throughout the contract term. For routine technical assistance, the timing of such support

shall be determined by mutual agreement between the proposer and the WPCP. For emergency assistance (i.e. required to meet NPDES permit requirements), the proposer shall be available on-site within forty-eight hours of notification (verbal or electronic) by the WPCP. Failure to provide technical assistance at this level may result in liquidated damages and/or cancellation of the contract. If technical consultation and assistance beyond that which could be considered normal is required, the City will ask the proposer to submit a scope of work and cost for such assistance, which conforms to the hourly rates, terms and conditions submitted in the proposal. Note: The minimum product support requirements described in this paragraph take precedence over statements that may have been submitted by prospective suppliers in response to Request for Qualifications No. F0707-14.

E. Proposal Content

Proposals shall include, as a minimum, the following information, presented in a clear, concise and comprehensive manner:

1. Proposed Products A description of anticipated dosage requirements for the two treatment modes (10 NTU, 2 NTU), and product specifications including properties that are directly related to formulation and performance and that can be independently verified by the WPCP or an outside laboratory. Information considered confidential shall be identified as such (see Section F.13, "Protection of Confidential Materials").
2. Product Support A statement that the level of technical support to be provided meets the requirements of Section D.5 above, and that such support is included in the contract prices. The proposal may also include additional information or a description of procedures for future optimization of dosage and/or product formulation.
3. Contact Persons A name(s), address(es) and contact number(s) of individual(s) authorized to execute a contract with the City and of those who can respond to technical questions during the contract term. Indicate if these person(s) are different from those listed in the proposer's earlier response to Request for Qualifications No. F0707-14.
4. Schedule A statement that supplier is committed to begin shipping product within 21 days of award of contract, and thereafter to consistently make deliveries within 21 days of the City's placement of a order. The proposal shall include sufficient description to clearly demonstrate the capability to meet these requirements.

F. Proposal Pricing

1. Price Proposal A cost proposal containing each of the following items shall be submitted. The attached proposal pricing pages (Section M) shall be completed, signed, and included in the proposal and shall detail:

- a) A firm, fixed unit price for the polymer product. This unit price shall be proposed on the basis of dollars per pound of total polymer product delivered, meeting the minimum specifications described above. The price shall be firm (without escalation for the term of the contract), shall be F.O.B. destination and include delivery to the WPCP. All California sales and use taxes, as applicable, shall be excluded from the proposed unit price. The City is not subject to Federal Excise Tax and will provide exemption certificates as necessary. This pricing shall be shown on Item #1 of the proposal pricing pages.
- b) A “not to exceed” maximum treatment cost (polymer + filter aid) for each million gallons treated to NPDES discharge standards. This value will be based on gallons of secondary effluent flow measured at the filter effluent (sum of individual filter effluent flows), while the tertiary plant is in 10 NTU mode. This cost, in dollars per million gallons treated, and as explained in Attachment B, shall be shown as Item #2.
- c) A “not to exceed” maximum treatment cost (polymer + filter aid) for each million gallons treated while the plant is in 2 NTU mode. (In the event the polymer product must also be applied as a filter aid to meet recycled water turbidity requirements, that quantity will be included as polymer usage in calculating the maximum treatment cost). Gallons of flow are measured at the filter effluent (the sum of individual effluent flows). For purposes of this contract, 2 NTU mode includes all times when the WPCP is adding polymer to the AFTs at dosage rates intended to produce 2 NTU water. This cost, in dollars per million gallons treated, and as explained in Attachment B, shall be shown as Item #3.
- d) Costs for any additional equipment or technical support needed to meet NPDES discharge requirements or recycled water production shall be included within the unit cost(s) of the products. The City may, on occasion, request specific consultation or technical support, which is mutually agreed to be beyond the scope of routine technical support. The cost proposal shall, therefore, include hourly rates, for the individual(s) who would be expected to provide such services. In the event that such services are required, the City will request a specific scope and budget based on the proposed hourly rates. These rates will be shown on Item #4.
- e) Other information and contract requirements as detailed in RFP specifications, including submission of complete Proposers Price Evaluation Worksheet (Attachment A).

G. General Conditions/Contractual Requirements

1. Indemnification Proposer shall defend, indemnify and hold harmless the City, its officers, agents, and representatives from and against all claims, demands, action, causes of action, fees or obligations, in connection with any injury or damage to any person or property which may at any time arise out of or which is in any way connected with the negligent acts or omissions caused of supplier's performance under this contract. Full acknowledgement of this condition must be stated in the proposer's response to this Request of Proposal, and this indemnification clause will become part of the contract between the City and proposer.
2. Liquidated Damages Time is of the essence. If any product or services are not provided within the time specified in the contract, the delay will interfere with the proper operation of City's WPCP, resulting in loss and damage to the City.

From the nature of the case, it would be impractical and extremely difficult to fix actual damages sustained in the event of any such delay. The City and the supplier, therefore, shall agree that in the event of any such delay, the supplier shall pay such amount as liquidated damages. The City may also recall the performance bond or seek legal action available to it.

Amounts due to the City as liquidated damages may be deducted by the City from any money payable to the supplier. The City shall notify the supplier in writing of any claim for liquidated damages on or before the date City deducts such sums from money payable to the supplier.

- a) If the supplier does not furnish products or perform the stated services in accordance with the contract within the time periods specified in Paragraphs D.4 and D.5, as stated and agreed upon, liquidated damages for the period between the date specified and the date actual products are furnished or services are completed, supplier shall be liable to the City for liquidated damages. Liquidated damages are hereby determined by the City to be a MINIMUM of \$1000 per day for the first 10 days and a MINIMUM of \$2000 per day thereafter.
- b) If the delay is more than 30 calendar days, then by written notice to the supplier, the City may terminate the right of the supplier to continue to furnish product and services and may obtain substitute product and services. In that event, the supplier shall be liable for any actual liquidated damages, in the MINIMUM amount specified above.
- c) Exception: Except with respect to defaults of subcontractors, the supplier shall not be liable for liquidated damages when delays arise out of causes

beyond the control and without the fault or negligence of the supplier. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the City in either its sovereign or contractual capacity, fire, flood, epidemic, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case delays must be beyond the control and without the fault of the supplier. If delays are caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the supplier and subcontractor, the supplier shall not be liable for liquidated damages for the delays, unless the product or services were obtainable from other sources in sufficient time for the supplier to meet the required performance requirements.

3. Insurance Requirements The proposer shall comply with the following insurance requirements and shall furnish to the City certificates of insurance, to the satisfaction of the City's Risk and Insurance Manager. The proposer is also responsible for all subcontractor insurance requirements.
 - a) During the term of this contract, the proposer shall carry, or require that there be Worker's Compensation Insurance for all its employees and those of its subcontractors in accordance with the laws of the State of California.
 - b) During the term of this agreement, the proposer shall carry Comprehensive General Liability Insurance, including contractual liability, in an amount not less than \$1,000,000.
 - c) During the term of this agreement, the proposer shall carry Business Automobile Liability Insurance in an amount not less than \$1,000,000 combined single limits.
4. Proposal Bond All proposals must be signed, sealed and accompanied by a cashier's check, certified check or proposal bond made payable to the City of Sunnyvale in the amount of \$15,000. The original proposal bond shall be bound in the original proposal, with a copy bound in each copy of the proposal. In the event the proposer to whom final award is made fails or refuses to execute the contract within fifteen (15) days from the date of receiving notification that they are the proposer to whom the contract was awarded, or fails or refuses to deliver the specified performance bonds within fifteen (15) days from that date, the City may declare the proposer's proposal deposit forfeited as damage caused by the proposer, and award the contract to the next acceptable proposer or call for new proposals.
5. Performance Bond The City requires a performance bond as a condition for entering into a contract. The amount of the performance bond shall be in the amount of \$100,000. The bond will be for the full term of the contract, three years.

6. Cost of Proposal or Testing The City will not pay any costs incurred by the proposer for proposal preparation, printing, mailing, testing of product, negotiation, etc., or any other expense incurred in responding to this RFP.
7. Interpretation Of Documents/Deadline For Questions If any person submitting a proposal is in doubt as to the meaning of the requirements or where conflicts may be discovered requiring an explanation or decision he/she may submit to the Purchasing Officer a request for interpretation or clarification thereof. Requests shall be made in writing no later than the date indicated on the cover page of this RFP, or ten (10) working days before the due date of proposals, whichever is earlier. This will allow the City to research and respond to the question(s) in writing to all parties by addendum.

Questions received after the deadline may not be responded to by the City. Questions should be addressed as follows:

Dave Gakle, Principal Buyer, Purchasing Division
City of Sunnyvale
650 West Olive Avenue
P.O. Box 3707
Sunnyvale, CA 94088-3707
FAX (408) 730-7710

8. Contact with City Employees and Consultants Prior to proposal due date, all questions must be submitted in written to the designated City Purchasing Officer or representative noted above. No telephone inquires will be allowed. Any contact with any City employee or the City's consultants regarding this RFP, prior to the proposal due date, may be grounds for dismissal of the proposal from consideration. The City realizes that this Request for Proposal deals with highly scientific/technical matters and that questions are likely. It is the City's intention, however, to respond to all questions during the proposal period by writing. Any verbal clarifications made by any City employee or consultant shall not be binding upon the City.
9. Non-Collusion By submitting a proposal, the proposer is certifying that he/she has not directly or indirectly been collusive with any other proposer in the preparation and submission of the proposal.

If at any time it shall be found that the person, firm or corporation to whom a contract has been awarded has, in presenting the proposal, colluded with any other party or parties, the Contractor shall be liable to the City for all loss or damage which the City may suffer as the result of the collusive activity, including but not limited to, the cost of advertising and awarding a new contract for said work, service or materials. In addition, at the discretion of the City, the collusive proposer may be disqualified from proposing on City

contracts for a period not to exceed five years.

10. Pricing Page and Format of Proposals Proposers may submit their proposals in the format that they wish so long as all the information requested by the City is provided with the following exception: The City's Proposal Pricing Pages, which is Section M to this Request for Proposal and Proposer's Price Evaluation Worksheet (Attachment A), shall be included as part of each proposal. The pricing page may be duplicated on a personal computer by the proposer, but its format must be exactly the same as provided herein. Should any proposer find that the pricing formula/structure provided by the City does not allow pricing to be made in a clear manner, it is essential that the City be notified in writing as soon as possible, so that the pricing page format may be changed, if the City determines it is necessary to do so, for all proposers by addendum.

The intent of the pricing page structure is to provide the City with consistent format to review pricing from all proposers.

11. Term The term of the contact shall be for three (3) years. At the end of the three year contract, the City may elect to re-solicit proposals or to extend the contract for up to three additional one-year periods should service, product and pricing remain satisfactory to the City.
12. Protection Of Confidential Materials Information submitted to the City by proposers is subject to possible compulsory disclosure by the City upon request from a member of the public, under the California Public Records Act, Government Code Section 6250, et seq. The City recognizes that some information which is called for in the RFP, or which may be required to be submitted in subsequent stages of the evaluation and contracting process, may be considered trade secrets or otherwise confidential by some proposers. The City will protect the confidentiality of materials submitted to it to the extent permitted by the Public Records Act, in accordance with the procedures, and subject to the limitations described in this section.

Material which proposers wish to be treated in confidence and withheld from public disclosure must be clearly marked, on each page, as "confidential."

The City will not voluntarily disclose materials so marked to persons other than City officers, attorneys, employees, and consultants involved in evaluating the proposals received.

If the City of Sunnyvale receives a request from a third party to review and/or copy material so marked, it will inform the proposer who submitted it and will allow the proposer to present arguments and facts to the City in support of the position that the material is entitled to an exemption from disclosure under the Public Records Act and should not be released.

If the City determines that the material is entitled to an exemption and that it must be released, the City will advise the proposer of that determination prior to releasing the material so that the proposer may seek a court order enjoining its release.

If the City determines that the material is entitled to an exemption, and the person who requested the information files a legal action seeking its release, the City will advise the proposer and will not oppose a motion by the proposer to intervene in the action. The proposer must either intervene or agree to pay the City's legal expenses in defending the action; otherwise the City will have no obligation to affirmatively defend the action and may release the information sought without the City's incurring any liability whatsoever towards the proposer for the release of materials.

Material that has been marked as confidential will be returned to all unsuccessful proposers once a contract has been signed with the selected proposer.

By submitting a proposal, proposers agree to all the foregoing provisions.

H. Submittal Deadline

Proposer shall submit five (5) copies of the proposal to:

City of Sunnyvale
Purchasing Officer
Sunnyvale City Hall Annex
650 West Olive Avenue
P.O. Box 3707
Sunnyvale, CA 94088-3707

The proposal must be clearly marked with Request for Proposals No. F0703-77 and the date. **Proposals are due no later than 3:00pm on Wednesday May 14, 2008.**

I. Rights Reserved by the City

The City reserves the right, in its sole discretion, to pursue any or all of the following actions in regard to this Request for Proposals:

- Issue addenda to the Request for Proposals.
- Request additional information and/or clarification from the proposer, including proposer's cost basis and competitive pricing information.
- Permit the timely correction of errors, and waive minor deviations.

- Reject any or all proposals.
- Issue subsequent Requests for Proposals based on refinements of concepts proposed in response to the Request for Proposals.
- Withdraw this Request for Proposals.
- Extend the time for submittal of Proposals.
- In the event that a single proposal is received, the Purchasing Officer shall have the authority to require the proposer to submit cost or pricing data to assist in determining if the price is reasonable. If the awarding authority (City Council) determines that a bid price for goods and/or services is not reasonable, it may either reject the proposal or it may authorize the Purchasing Officer to attempt to negotiate a reasonable price with the proposer.
- Select the proposer that, in the judgment of the City Council and any evaluation process notwithstanding, is most likely to serve the needs of the WPCP.
- Take whatever other action it deems in its interest.

This Request for Proposals does not obligate the City to accept any proposal, negotiate with any proposer, award a contract, or proceed with the development of any project described in response to this Request for Proposals.

J. Award of Contract

Contract award will be made to the responsive and responsible proposer with the lowest overall Price Valuation total, as shown on the Proposers Price Evaluation Worksheet (Attachment A). Because of the value of the three year contract, award of contract will be made by the Sunnyvale City Council at one of their regularly schedule meetings. A Notice of Award shall be issue by the City after Council award of contract.

K. Post – Notice of Award Requirements

1. Within ten (10) calendar days of Notice of Award, the successful proposer shall submit to the person identified on the cover of this Request for Proposals the following:
 - The Service Agreement executed in duplicate by the successful proposer
 - The performance bond as specified
 - Evidence of the required insurance coverage
 - A Sunnyvale business license application and fee if the bidder does not already possess such license

- A completed Internal Revenue Service Form W-9
2. The successful proposers' failure to submit the documents required herein, in a proper and timely manner, entitles the City to rescind its award, and may cause the Proposers Proposal Bond to be forfeited as provided below.
 3. The City may elect in its sole discretion to extend the time to receive any of the documents listed herein.

L. Failure to Execute and Deliver Documents – If Proposer to whom Notice of Award is issued shall, for 10 days after such award, fail or neglect to execute and deliver all required contract documents, bonds, insurance certificates and other documents, City may, in its sole discretion, deposit proposer surety bond, cashier's check or certified check for collection, and retain the proceeds thereof as liquidated damages for proposer's failure to perform, Proposer agrees that calculating the damages City may suffer as a result of Proposer's failure to execute and deliver all documents would be extremely difficult and impractical, and that the amount of Proposer's required proposal security shall be the agreed and presumed amount of City's damages. City may then turn to the next proposer and proceed as if this proposer were the original proposer.

**City of Sunnyvale
Request For Proposals No. F0703-77
For Polymer Flocculant and Filter Aid for the
Water Pollution Control Plant**

M. Proposal Pricing Pages

(Detach these pages and insert into your proposal, or duplicate this form exactly on a personal computer and include in your proposal)

Honorable City Council
City of Sunnyvale
Sunnyvale, California, 94086

We hereby offer to sell and deliver polymer flocculant and filter aid, as required, to the City of Sunnyvale, in strict compliance with the specifications adopted by the City of Sunnyvale. Pricing does not include sales tax but includes all freight, delivery, handling charges, and other charges, as appropriate.

ITEM #1: POLYMERIC FLOCCULANT (for Air Flotation Tanks and Filter Aid (if required))
Price (FOB Destination)

Delivered

Manufacturer: _____

Product Name and Number: _____

Percent Active (min:) _____ Min % active polymer in wet polymer as delivered

Unit Price: _____ Per wet pound of polymer delivered, excluding sales tax

ITEM #2: GUARANTEED MAXIMUM CHEMICAL COST - 10 NTU MODE (NPDES DISCHARGE)

Maximum polymer+filter aid cost for 10 NTU treatment _____ Dollars per million gallons treated.

ITEM #3: GUARANTEED MAXIMUM CHEMICAL COST - 2 NTU MODE (RECYCLED WATER PRODUCTION)

Maximum polymer+filter aid cost for 2 NTU treatment _____ Dollars per million gallons treated.

Note: Items #2 and #3 establish a cap on payments to the supplier will be applied on a "year-to-date" basis. The WPCP will compute the cost of treatment quarterly, based on flow volumes in each treatment mode and actual doses of polymer and filter aid required.

ITEM #4: HOURLY RATES AND TERMS & CONDITIONS FOR TECHNICAL CONSULTATION AND ASSISTANCE (see Section D5, Scope of Contract)

Note: A rate sheet may be attached in lieu of completing this Section.

<u>Individual Providing Service</u>	<u>Labor Category</u>	<u>Hourly Rate</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

ITEM #5: OTHER INFORMATION AND CONTRACT REQUIREMENTS

Delivery will be made within _____ days (maximum 21) after receipt of an order, F.O.B. destination: Sunnyvale WPCP.

Prices are guaranteed to be firm during the initial three-year contract term _____ (yes/no).

Terms for payment of invoices _____.

Bid price includes any additional equipment or modifications required for use of supplier's products _____ (yes/no).

Unit bid price(s) above include technical consultation and assistance for the normal use of the product(s) as described in Section D ("Scope of Contract") of the RFP. _____ (yes/no).

PROPOSAL SUBMITTED BY:

COMPANY: _____

ADDRESS: _____

BY: _____
(Signature of Authorized Representative)

(Type or Print Above Name and Title)

(Date)

(Telephone)

ADDENDUM RECEIPT

The receipt of the following addenda to the specifications, if issued, is hereby acknowledged.

Addendum No. _____ Date _____

Addendum No. _____ Date _____

Addendum No. _____ Date _____

Attachment A. Proposer's Price Evaluation Worksheet¹
To be returned as part of proposal submittals

Projected Annual Polymer Cost

Treatment Mode	Proposer's Unit Polymeric Flocculant Price ² (\$/lb)	Proposer's Adjusted Dose for Mode ³ (mg/L)	WPCP Annual Flow (mgal/yr)	Fraction of Annual Flow in Mode	Conversion Factor	Projected Annual Poly. Cost for Mode (\$/yr)	Weighting Factor	Price Valuation (\$/yr)
2 NTU:	<input type="text"/>	x <input type="text"/>	x 5600	x 0.15	x 8.34	= <input type="text"/>		
10 NTU:	<input type="text"/>	x <input type="text"/>	x 5600	x 0.85	x 8.34	= <input type="text"/>		
Total (sum of above)						<input type="text"/>	x 0.67	= <input type="text"/>

Projected Maximum Annual Treatment Cost Based on Proposer's Guaranteed Maximum Chemical Cost

Treatment Mode	Proposer's Guaranteed Maximum Chemical Cost for Indicated Mode ⁴ (\$/million gal)	WPCP Annual Flow (mgal/yr)	Fraction of Annual Flow in Mode	Projected Maximum Treatment Cost for Mode (\$/yr)	Weighting Factor	Price Valuation (\$/yr)
2 NTU:	<input type="text"/>	x 5600	x 0.15	= <input type="text"/>		
10 NTU:	<input type="text"/>	x 5600	x 0.85	= <input type="text"/>		
Total (sum of above)				<input type="text"/>	x 0.33	= <input type="text"/>

Proposer's Overall Price Valuation:
(sum of above)

1. See Proposer's Price Evaluation Explanation (Attachment B) for detailed description of factors used in this evaluation.
2. From Proposer's pricing sheet. Use same price for both modes. 3. Use values provided in Proposer's test results notification letter. 4. From Proposer's pricing sheet.

**City Of Sunnyvale
Request For Proposal No. F0703-77
for Polymer Flocculant for the
Water Pollution Control Plant**

**ATTACHMENT B
Proposer's Price Evaluation Explanation**

I. Projected Annual Polymer Costs for 2 NTU and 10 NTU Modes

For each treatment mode (10 NTU, 2 NTU), the City's projected annual cost will be calculated based on the Proposer's results from the full-scale test and Proposer's unit price as follows (polymer doses and unit costs/prices are wet weight basis):

$$\text{Projected Annual 2 NTU Cost} = \text{Adj. 2 NTU Dose} \times \text{Proposed Unit Price} \times 5600 \times 0.15 \times 8.34$$

$$\text{Projected Annual 10 NTU Cost} = \text{Adj. 10 NTU Dose} \times \text{Proposed Unit Price} \times 5600 \times 0.85 \times 8.34$$

where: Annual Cost = Projected annual cost for indicated mode, \$/year

Adj. Dose = Proposer's polymer dose from full-scale test for indicated mode, adjusted if necessary for treatability as described below, as reported in Proposer's test results notification letter, mg/l

Proposed Unit Price = Proposer's unit polymer price, \$/lb
5600 = WPCP's projected annual average flow in million gallons
0.15, 0.85 = Projected fraction of flow in 2 NTU and 10 NTU modes, respectively
8.34 = Conversion factor

II. Projected Maximum Annual Treatment Costs

A projected maximum annual treatment cost will be calculated based on the Proposer's maximum treatment prices as follows:

Maximum Annual Treatment Cost (\$/yr)=

$$(\text{Guaranteed Maximum Chemical Cost}_{10 \text{ NTU}} \times 5600 \times 0.85) + (\text{Guaranteed Maximum Chemical Cost}_{2 \text{ NTU}} \times 5600 \times 0.15)$$

where:

Guaranteed Maximum Chemical Cost_{MODE} = Proposer's Guaranteed
Maximum Chemical Cost for indicated mode,
(\$/million gallons)

5600 = WPCP's projected annual average flow in million gallons
0.15, 0.85 = projected fraction of flow in 2 NTU and 10 NTU modes,
respectively

The resulting maximum annual treatment cost will be used in calculating the Proposer's Overall Price Valuation, as described below. Any cap on actual payments to the successful Proposer under the contract's maximum annual treatment cost provision will be based on the actual volumes treated and the Proposer's maximum treatment prices.

III. Proposer's Overall Price Valuation

The City will evaluate Proposals based on both the projected annual costs and the projected maximum annual treatment costs, as determined by the methods described in Sections I and II above. For each Proposer, an Overall Price Valuation will be calculated based on the as follows:

Proposer's Overall Price Valuation (\$/yr) =

((Projected Annual Polymer Costs for 2 NTU + Projected Annual Polymer Costs for
10 NTU) x 0.667)
+ (Maximum Annual Treatment Cost x 0.333))

If all other requirements of the RFP are met, the contract will be awarded to the Proposer with the lowest Overall Price Valuation.

III. Treatability Adjustment

The WPCP recognizes that environmental conditions may cause the oxidation pond effluent to vary over time, and that because vendors' tests are not conducted simultaneously, there may be differences in "treatability" that impact vendors' test results. To address this, the full-scale test procedure included collection of "baseline" dosing rates for the WPCP's existing polymer+resin products immediately before and after each vendor's test, to identify possible differences in baseline (treatability) conditions. For each mode (2 NTU and 10 NTU), the corresponding before and after baseline doses were averaged, and these averages were used to adjust (normalize) the vendor's measured doses as follows:

$$\text{Adj. Dose} = \text{Actual dose} \times \frac{\text{Lowest "baseline" dose}}{\text{Vendor's "baseline" dose}}$$

where: Adj. Dose = Vendor's adjusted dose for use in cost projections,
(mg/l)

Actual Dose = Vendor's actual dose from full-scale test (mg/l)
Vendor's "baseline" dose = Average baseline dose observed at time of
Vendor's test (mg/l)
Lowest "baseline" dose = Lowest of average baseline doses observed for all
successful Vendor's tests (mg/l)

The test result notification letters included the actual dose results, the baseline adjustment factors, and the vendor's final adjusted doses that will be used in the price evaluation procedure.

ATTACHMENT D

TABLE 1
Treatment Requirements for NPDES Discharge (partial)

Parameter	Requirement
Suspended Solids	<20 mg/l monthly average <30 mg/l daily maximum
Settleable Matter	<0.1 mg/l-hr monthly average <0.2 mg/l-hr daily maximum
CBOD*	<10 mg/l monthly average <20 mg/l daily maximum
Turbidity	<10 NTU instantaneous maximum
Enterococcus	<35 MPN/100 ml 30-day geometric mean <276 MPN/100 ml single sample maximum
Acute Toxicity	100% survival in 96-hr static bioassay test
Chronic Toxicity	No indication that product(s) causes or contributes to toxicity, as determined by City or its contract laboratory.
Filter headloss	No increase from existing conditions

* Carbonaceous BOD. A nitrification inhibitor is added to the standard 5-day BOD test eliminate nitrogenous BOD

TABLE 2
Treatment Requirements for Recycled Water Production*

Parameter	Requirement
AFT Effluent Turbidity	<10 NTU (WPCP requirement)
Filter Effluent Turbidity (measured continuously)	<2 NTU average** <5 NTU 95% of the time**
Total Coliform	<2.2 MPN/100 ml 7-day median <23 MPN/100 ml single sample maximum
Filter headloss	Not to exceed 4.5 ft. in any filter half within 16 hours of RW startup (WPCP requirement)
Filter Aid Addition	Required between AFTs and Filters if AFT effluent turbidity exceeds 5 NTU

- * During periods of recycled water production, the plant may also be discharging to the Bay, and the requirements listed in Table 1 apply to that discharge.
- ** Compliance with these requirements are determined on the basis of time elapsed from start of 2 NTU production run “Ready” status.

**City of Sunnyvale
Request For Proposals No. F0703-77
For Polymer Flocculant and Filter Aid for the
Water Pollution Control Plant**

M. Proposal Pricing Pages

(Detach these pages and insert into your proposal, or duplicate this form exactly on a personal computer and include in your proposal)

Honorable City Council
City of Sunnyvale
Sunnyvale, California, 94086

We hereby offer to sell and deliver polymer flocculant and filter aid, as required, to the City of Sunnyvale, in strict compliance with the specifications adopted by the City of Sunnyvale. Pricing does not include sales tax but includes all freight, delivery, handling charges, and other charges, as appropriate.

ITEM #1: POLYMERIC FLOCCULANT (for Air Flotation Tanks and Filter Aid (if required))
Price (FOB Destination) _____ Delivered

Manufacturer: Polydyne Inc.

Product Name and Number: Clarifloc WE-717

Percent Active (min): 41% Min % active polymer in wet polymer as delivered

Unit Price: \$0.90 Per wet pound of polymer delivered, excluding sales tax

ITEM #2: GUARANTEED MAXIMUM CHEMICAL COST - 10 NTU MODE (NPDES DISCHARGE)

Maximum polymer+filter aid cost for 10 NTU treatment \$89,3214 Dollars per million gallons treated.

ITEM #3: GUARANTEED MAXIMUM CHEMICAL COST - 2 NTU MODE (RECYCLED WATER PRODUCTION)

Maximum polymer+filter aid cost for 2 NTU treatment \$207.9162 Dollars per million gallons treated.

Note: Items #2 and #3 establish a cap on payments to the supplier will be applied on a "year-to-date" basis. The WPCP will compute the cost of treatment quarterly, based on flow volumes in each treatment mode and actual doses of polymer and filter aid required.

ITEM #4: HOURLY RATES AND TERMS & CONDITIONS FOR TECHNICAL CONSULTATION AND ASSISTANCE (see Section D5, Scope of Contract)

Note: A rate sheet may be attached in lieu of completing this Section.

<u>Individual Providing Service</u>	<u>Labor Category</u>	<u>Hourly Rate</u>
N/A, included in polymer price.		

ITEM #5: OTHER INFORMATION AND CONTRACT REQUIREMENTS

Delivery will be made within 20 days (maximum 21) after receipt of an order, F.O.B. destination: Sunnyvale WPCP.

Prices are guaranteed to be firm during the initial three-year contract term yes (yes/no).

Terms for payment of invoices Net 30 Days.

Bid price includes any additional equipment or modifications required for use of supplier's products no (yes/no).

Unit bid price(s) above include technical consultation and assistance for the normal use of the product(s) as described in Section D ("Scope of Contract") of the RFP. yes (yes/no).

PROPOSAL SUBMITTED BY:

COMPANY: Polydyne Inc.
ADDRESS: One Chemical Plant Rd.
Riceboro, GA 31323

BY: *Lawrence D. Grizzle*
(Signature of Authorized Representative)
Lawrence D. Grizzle, Business Manager
(Type or Print Above Name and Title)
05/12/08 (800) 848-7659
(Date) (Telephone)

ADDENDUM RECEIPT

The receipt of the following addenda to the specifications, if issued, is hereby acknowledged.

Addendum No.	None	Date
Addendum No.		Date
Addendum No.		Date

Attachment A. Proposer's Price Evaluation Worksheet¹
To be returned as part of proposal submittals

Projected Annual Polymer Cost

Treatment Mode	Proposer's Unit Flocculant Price ² (\$/lb)	Proposer's Adjusted Dose for Mode ³ (mg/L)	WPCP Annual Flow (mgal/yr)	Fraction of Annual Flow in Mode	Conversion Factor	Projected Annual Poly. Cost for Mode (\$/yr)	Weighting Factor	Price Valuation (\$/yr)
2 NTU:	\$0.90	27.7	5600	0.15	8.34	\$174,649.608		
10 NTU:	\$0.90	11.9	5600	0.85	8.34	\$425,169.864		
					Total (sum of above)	\$599,819.472	0.67	\$401,879.04624

Projected Maximum Annual Treatment Cost Based on Proposer's Guaranteed Maximum Chemical Cost

Treatment Mode	Proposer's Guaranteed Maximum Chemical Cost for Indicated Mode ⁴ (\$/million gal)	WPCP Annual Flow (mgal/yr)	Fraction of Annual Flow in Mode	Projected Maximum Treatment Cost for Mode (\$/yr)	Weighting Factor	Price Valuation (\$/yr)	
2 NTU:	\$207.9162	5600	0.15	\$174,649.608			
10 NTU:	\$ 89.3214	5600	0.85	\$425,169.864			
			Total (sum of above)	\$599,819.472	0.33	\$197,940.42576	
Proposer's Overall Price Valuation:						\$599,819.472	(sum of above)

1. See Proposer's Price Evaluation Explanation (Attachment B) for detailed description of factors used in this evaluation.
2. From Proposer's pricing sheet. Use same price for both modes. 3. Use values provided in Proposer's test results notification letter. 4. From Proposer's pricing sheet.



SUNNYVALE PROPOSAL CONTENT

1. Proposed products - Please see Attachment A. Proposer's Price Evaluation Worksheet, Product Data Sheet, and Material Safety Data Sheet for Clarifloc WE-717
2. Product support - Polydyne Inc. does offer technical consultation and assistance for normal use of its polymer products. The cost of this service is included in the unit price of the polymer. Polydyne can assure the City of Sunnyvale that this level of on-site support will exceed the minimum stated of one day per month throughout the contract term. Routine technical assistance can be scheduled by contacting any of our employees listed below. Polydyne Inc. can guarantee that on-site assistance in emergency situations will be available within forty-eight hours. Our primary contact for the City of Sunnyvale resides just forty miles from the Sunnyvale Water Pollution Control Plant.

3. Contacts -

Primary Contact -	Rawlin Castro - Sr. Technical Sales Rep.
Address:	158 Granville Way San Francisco, CA 94127
Phone:	(415) 218-6089
Fax:	(912) 880-2078
E-Mail :	rcastro@polydyneinc.com
Primary Alternate -	Frank Cimino - Regional Sales Manager *
Address:	32550 Batson Lane Wildomar, CA 92595
Phone:	(909) 214-4338
Fax:	(912) 880-2078
E-Mail:	fcimino@polydyneinc.com
Alternate -	Brent Swanson - Technical Sales Rep. *
Address:	19216 Maplebay Court Newhall, CA 91321
Phone:	(661) 802-2466
Fax:	(912) 880-2078
E-Mail:	bswanson@polydyneinc.com
Alternate -	Joe Des Rochers - Technical Sales Rep. *
Address:	3923 G Street Vancouver, WA 98663
Phone:	(360) 931-5566
Fax:	(912) 880-2078
E-mail:	jdesrochers@polydyneinc.com
Alternate -	Joe Conca - Technical Sales Rep. *
Address:	11640 N. 151st Lane Surprise, AZ 85379
Phone:	(623) 640-1425
Fax:	(912) 880-2078
E-mail:	jconca@polydyneinc.com

Signer - Lawrence D. Grizzle - Business Manager *
Address: One Chemical Plant Rd.
Riceboro, GA 31323
Phone: (800) 848-7659
Fax: (912) 880-2078
E-mail: polybiddpt@snfhc.com

* Contacts added since Request for Qualifications submittal.

4. Schedule - The polymer product Polydyne Inc. is submitting for bid is an emulsion product. Polydyne Inc. has production capacity for this type of product of One Hundred Seventy Thousand Dry Tons (170,000 Dry Tons). Of this capacity, approximately half is dedicated to existing customers. Polydyne Inc. also maintains working relationships with numerous trucking companies, as well as, rail service providers to insure delivery of our polymer products in a timely manner. Polydyne Inc. will begin shipping our polymer within 21 days of award of contract and will be able to consistently make deliveries within 21 days of receipt of an order.

Polydyne acknowledges in full that it shall defend, indemnify and hold harmless the City, its officers, agents and representatives from and against all claims, demands, action, causes of action, fees or obligations in connection with any injury of damage to any person or property which may at any time arise out of our which is in any way connected with the negligent acts or omissions caused of supplier's performance under this contract.

For additional information about Polydyne Inc., we have included a brochure to provide you with greater insight about our company. Should you have any questions, or if I may be of further assistance, please contact me at (912) 880-2035.

Best Regards,



Lawrence D. Grizzle
Business Manager

SNF**POLYDYNE**

CLARIFLOC® WE-717 POLYMER

PRINCIPAL USES

CLARIFLOC WE-717 is a **high charge cationic polyacrylamide** in emulsion form that is used as a flocculant in a wide variety of municipal and industrial wastewater treatment applications. It has been successfully applied in all liquid/solids separation systems including clarification, thickening, and dewatering.

TYPICAL PROPERTIES

Physical Form	Clear to Milky White Liquid
Cationicity	80 %
Active Polyacrylamide Min.	41 %
Freezing Point	<-20° F (<-29° C)
Flash Point	>200° F (>93° C)
Density	8.4 - 8.6 lb/gal

PREPARATION AND FEEDING

CLARIFLOC WE-717 is a single component emulsion polymer that must be pre-diluted in water before use. In most cases, this product should not be applied neat. One method for dilution is adding the neat polymer into the vortex of a mixed tank at a concentration between 0.25-1.0% polymer (0.5% is optimum) by weight. The polymer can also be injected through a number of commercially available systems that provide in-line mechanical mixing. The best feed systems use initial high energy mixing (>1000 rpm) for a short time (<30 sec) to achieve good dispersion followed by low energy mixing (<400 rpm) for a longer time (10-30 min). Polymer solutions should be aged for 15-60 minutes for best results. Solution shelf life is 8-16 hours.

MATERIALS OF CONSTRUCTION

Cross-linked polyethylene, fiberglass, stainless steel or lined steel are the preferred materials of construction for bulk tanks. Avoid natural rubber and Buna-N gaskets as these materials swell when placed in contact with neat polymer. Unlined mild steel, black iron, galvanized steel, copper or brass are not recommended in any part of the feed system. Stainless steel, Viton or Teflon are the best choices for pump heads. For feed lines, use PVC or reinforced Tygon tubing.

MANUFACTURING SPECIFICATIONS

Total Solids	44.0 - 51.0 %
Residual AcAm	< 1000 ppm
Neat Viscosity	300 - 2000 cPs
UL Viscosity	4.2 - 5.2 cPs

HANDLING AND STORAGE

Suggested in-plant storage life is one year in unopened drums. For best results, store at 50-80 F. Bulk tanks should be mixed by periodically recirculating the contents bottom to top. Bulk tanks can also be fitted with an agitator type mixer that reaches the bottom 2 feet of the tank. Drums and bins should be mixed very well before first use and weekly after that. Do not allow emulsion polymers to freeze. Should freezing occur, allow the product to thaw thoroughly in a heated area and mix well before attempting to use it. For spills of CLARIFLOC WE-717, sprinkle vermiculite or equivalent absorbant over the spill area and sweep the material into approved chemical disposal containers. Do not spray water onto a spill because the resulting gel is very difficult to clean up.

SAFETY INFORMATION

CLARIFLOC WE-717 is a mildly acidic product that can irritate the skin and eyes and should be handled accordingly. Gloves, goggles and apron are highly recommended. Anyone responsible for the procurement, use or disposal of this product should familiarize themselves with the appropriate safety and handling precautions involved. Such information is outlined in the **POLYDYNE** Material Safety Data Sheet. In the event of an emergency with this product, contact Chemtrec anytime day or night at (800) 424-9300.

SHIPPING

CLARIFLOC WE-717 Polymer is shipped in 55 gallon, lined steel drums containing approximately 450 pounds net or in 275 gallon **nonreturnable** tote tanks. Bulk quantities are also available.

ADDITIONAL INFORMATION

To place an order or obtain technical information from anywhere in the continental United States, call toll free:

(800)**848-7659**

ALL STATEMENTS, INFORMATION AND DATA GIVEN HEREIN ARE BELIEVED TO BE ACCURATE AND RELIABLE, BUT ARE PRESENTED WITHOUT GUARANTEE, WARRANTY OR RESPONSIBILITY OF ANY KIND, EXPRESSED OR IMPLIED STATEMENTS OR SUGGESTIONS CONCERNING POSSIBLE USE OF OUR PRODUCTS ARE MADE WITHOUT REPRESENTATION OR WARRANTY THAT ANY SUCH USE IS FREE OF PATENT INFRINGEMENT, AND ARE NOT RECOMMENDATIONS TO INFRINGE ON ANY PATENT. THE USER SHOULD NOT ASSUME THAT ALL SAFETY MEASURES ARE INDICATED OR THAT OTHER MEASURES MAY NOT BE REQUIRED.

MATERIAL SAFETY DATA SHEET

PAGE:	1 of 5
REVISION DATE:	09/14/2006
PRINT DATE:	08/13/2007

1. IDENTIFICATION OF THE PRODUCT AND THE COMPANY

CLARIFLOC WE-717 POLYMER

Supplier :

POLYDYNE INC.

PO Box 279

Riceboro, Georgia 31323

Tel : 800-848-7659 Fax : 912-884-8770

2. COMPOSITION/INFORMATION ON INGREDIENTS

Identification of the preparation :

Cationic water-soluble polymer in emulsion.

3. HAZARDS IDENTIFICATION

Aqueous solutions or powders that become wet render surfaces extremely slippery

4. FIRST AID MEASURES

Inhalation : Move to fresh air.

Skin contact : Wash off immediately with soap and plenty of water. In case of persistent skin irritation, consult a physician.

Eye contact : Rinse thoroughly with plenty of water, also under the eyelids. In case of persistent eye irritation, consult a physician.

Ingestion : The product is not considered toxic based on studies on laboratory animals.

5. FIRE-FIGHTING MEASURES

Suitable extinguishing media : Water, water spray, foam, carbon dioxide (CO₂), dry powder

Special fire-fighting precautions : Spills produce extremely slippery surfaces.

Protective equipment for firefighters : No special protective equipment required.

6. ACCIDENTAL RELEASE MEASURES

Personal precautions : No special precautions required.

Environmental precautions : Do not contaminate water.

Methods for cleaning up : Do not flush with water. Dam up. Soak up with inert absorbent material. If liquid has been spilled in large quantities clean up promptly by scoop or vacuum. Keep in suitable and closed containers for disposal. After cleaning, flush away traces with water.

7. HANDLING AND STORAGE

Handling : Avoid contact with skin and eyes. When preparing the working solution ensure there is adequate ventilation. When using do not smoke.

Storage : Keep in a dry, cool place (0 - 30°C). Keep away from heat and sources of ignition. Freezing will affect the physical condition and may damage the material.

8. EXPOSURE CONTROLS / PERSONAL PROTECTION

Engineering controls : Use local exhaust if misting occurs. Natural ventilation is adequate in absence of mists.

Personal protection equipment

- **Respiratory protection :** In case of insufficient ventilation wear suitable respiratory equipment.
- **Hand protection :** Rubber gloves.
- **Eye protection :** Safety glasses with side-shields. Do not wear contact lenses.
- **Skin protection :** Chemical resistant apron or protective suit if splashing or contact with solution is likely.

Hygiene measures : Wash hands before breaks and at the end of workday. Handle in accordance with good industrial hygiene and safety practice.

9. PHYSICAL AND CHEMICAL PROPERTIES

Form : viscous liquid

Color : milky

Odor : aliphatic

pH : 4 - 9 @ 5 g/l for product series. See Technical Bulletin for specific value.

Flash point (°C) : Does not flash

Autoignition temperature (°C) : Does not ignite

Vapour pressure (mm Hg) : 0.13 @ 20°C

Bulk density : See Technical Bulletin

Water solubility : See Technical Bulletin

Viscosity (mPa s) : See Technical Bulletin

10. STABILITY AND REACTIVITY

Stability : Product is stable, No hazardous polymerization will occur.
Oxidizing agents may cause exothermic reactions.

Hazardous decomposition products : Thermal decomposition may produce : hydrogen chloride gas, nitrogen oxides (NO_x), carbon oxides (CO_x).

11. TOXICOLOGICAL INFORMATION

Acute toxicity

- **Oral :** LD50/oral/rat > 5000 mg/kg
- **Dermal :** The results of testing on rabbits showed this material to be non-toxic even at high dose levels.
- **Inhalation :** The product is not expected to be toxic by inhalation.

Irritation

- **Skin :** May cause skin irritation with susceptible persons.
- **Eyes :** May cause eye irritation with susceptible persons

Sensitization : The results of testing on guinea pigs showed this material to be non-sensitizing.

Chronic toxicity : A two-year feeding study on rats did not reveal adverse health effects. A one-year feeding study on dogs did not reveal adverse health effects. Prolonged skin contact may defat the skin and produce dermatitis.

12. ECOLOGICAL INFORMATION

Ecotoxicity:

The product is rapidly eliminated from the aquatic medium through irreversible adsorption onto suspended matter and dissolved organics.

- **Fish** LC50/Danio rerio/96 hr > 10 - 100 mg/L (OECD 203)(Based on the toxicity of the components using the Conventional Method.)
- **Algae :** Algal inhibition tests are not appropriate. The flocculating characteristics of the product interfere directly in the test medium preventing homogenous distribution which invalidates the test.

- *Daphnia* : EC50/Daphnia magna/48 hr > 50 mg/L (OECD 202)(Based on the toxicity of the components using the Conventional Method.)

Environmental fate:

The aquatic toxicity is highly mitigated by the presence of dissolved organic carbon in the water. Results obtained using the US EPA "Dirty Water" test show that irreversible adsorption onto suspended matter and dissolved organics (such as humic and other organic acids) present in natural waters, reduces the toxicity to aquatic organisms by a factor of over 10

Bioaccumulation : Does not bioaccumulate.

Persistence / degradability : Not readily biodegradable

13. DISPOSAL CONSIDERATIONS

Waste from residues / unused products : In accordance with federal, state and local regulations.

Contaminated packaging : Rinse empty containers with water and use the rinse water to prepare the working solution. Can be landfilled or incinerated, when in compliance with local regulations.

14. TRANSPORT INFORMATION

Not regulated by DOT, IATA, IMDG..

15. REGULATORY INFORMATION

All components of this product are on the TSCA and DSL inventories.

RCRA status : Not a hazardous waste.

Hazardous waste number : Not applicable

Reportable quantity (40 CFR 302) : Not applicable

Threshold planning quantity (40 CFR 355) : Not applicable

California Proposition 65 information : *The following statement is made in order to comply with the California Safe Drinking Water and Toxic Enforcement Act of 1986: This product contains a chemical(s) known to the State of California to cause cancer : residual Acrylamide*

CLARIFLOC WE-717 POLYMER

PAGE: 5 of 5

REVISION DATE: 09/14/2006

PRINT DATE: 08/13/2007

HMIS & NFPA Ratings	HMIS	NFPA
Health :	1	1
Flammability :	1	1
Reactivity :	0	0
Personal Protection/Special :	B	

16. OTHER INFORMATION

Person to contact : Regulatory Affairs Manager

The information provided in this Safety Data Sheet is correct to the best of our knowledge, information and belief at the date of its publication. The information given is designed only as a guidance for safe handling, use, processing, storage, transportation, disposal and release, and is not to be considered a warranty or quality specification. The information relates only to the specific material designated and may not be valid for such material used in combination with any other materials or in any process unless specified in the text.