SUBJECT: Award of Bid No. F1006-121 for Chemicals for Wastewater Treatment for Department of Utilities

BACKGROUND
Council approval is requested for the award of a one year contract in the amount of $161,455, with an option to renew for two additional one-year periods to Univar USA, Inc. of Kent, Washington for the purchase of chemicals for wastewater treatment.

Currently Sodium Bisulfite is used to dechlorinate recycled water prior to the Water Pollution Control Plant (WPCP) delivering it into the City’s recycled water system. Requirements for the WPCP Title 22 permit for recycled water results in highly chlorinated water being processed requiring dechlorination of the water prior to supplying it to customers. Also, sodium bisulfite is used to dechlorinate 3-Water (water that is processed and used in-house for irrigation, cooling, etc.) which is recycled within the plant for use in various components.

With the completion of a current Public Works Project No. UY-09/01-10 Sulfur Dioxide Equipment Replacement – Sodium Bisulfite System, the existing plant equipment used for plant effluent water dechlorination is being replaced with equipment that will use Sodium Bisulfite for this purpose. Currently, the WPCP uses gaseous Sulfur Dioxide for the purpose of removing chlorine from the wastewater stream prior to discharge into the plant’s receiving water. National Pollution Discharge Elimination System (NPDES) permit requires the plant to completely remove all chlorine from the process. The WPCP also maintains a small safety factor of excess Sulfur Dioxide to ensure that the potential to violate the NPDES permit is minimized.

Sodium Hydroxide is used as a neutralizing chemical in the Toxic Gas Ordinance (TGO) gas scrubber. The chemical neutralizes chlorine gas and sulfur dioxide in the event that a release of either of these chemicals occurs, protecting both the environment and the surrounding population. Usage of Sodium Hydroxide is consistent on an annual basis.

DISCUSSION
Bid specifications were supplied by Department of Utilities, and Purchasing staff issued Invitation for Bids No. F1006-121, which was broadcast to
potential suppliers through the City’s Onvia DemandStar public procurement network.

Sealed bids were received and publicly opened on July 27, 2011. Two responsive bids were received.

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Total Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Univar USA Inc. of Kent, Washington</td>
<td>$161,455</td>
</tr>
<tr>
<td>Sierra Chemical Co. of Sparks, Nevada</td>
<td>$203,659</td>
</tr>
</tbody>
</table>

Staff has determined that the wastewater treatment chemicals offered by Univar USA Inc. meets City specifications and recommends that the contract be awarded to that firm as the lowest responsive and responsible bidder.

**FISCAL IMPACT**
Budgeted funds are available in Department of Utilities Operating Program 365 (Wastewater Management).

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

**RECOMMENDATION**
It is recommended that Council:

1. Award a one-year contract for chemicals for wastewater treatment in substantially the same form as the attached Draft Purchase Order and in an amount not-to-exceed $161,455 to Univar USA Inc.;
2. Delegate authority to the City Manager to renew the Purchase Order for two additional one-year periods provided pricing and service remains acceptable to the City.

Reviewed by:

Grace K. Leung, Director of Finance
Prepared by: Pete Gonda, Purchasing Officer
Award of Bid No. F1006-121 for Chemicals for Waste water Treatment for Department of Utilities

August 23, 2011
Page 3 of 3

Reviewed by:

John Stufflebean, Director of Utilities

Approved by:

Gary M. Luebbers
City Manager

Attachment:

A. Draft Purchase Order
**ORDERED FROM**
19862 - 001
Univar USA Inc
PO Box 34325
Seattle, WA 98124-1325

(425) 889-3400

**ORDER DATE**

**BILL TO:**
City of Sunnyvale
Finance Department
Accounts Payable
PO Box 3707
Sunnyvale, CA 94088-3707

**EFFECTIVE DATE**
9/1/2011

**EXPIRATION DATE**
8/31/2012

**CONTRACT AMOUNT**
$161,455.00

**REQUISITIONING DEPARTMENT**
(9042) DUT/WPCP - Operations

**FOB**
DEST

**FREIGHT CHARGES**
Destination, freight included in price

**PAYMENT TERMS**
N/30

**BID NO**

<table>
<thead>
<tr>
<th>ITEM</th>
<th>DESCRIPTION</th>
<th>UNIT</th>
<th>UNIT COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Blanket order for wastewater treatment chemicals as required by the City of Sunnyvale for a one year period with an option to review for two additional one year periods per Invitation for Bids P1006-121 specifications, terms and conditions and vendors response, which are incorporated herein by this reference.</td>
<td>DLR</td>
<td>$1.0000</td>
</tr>
<tr>
<td></td>
<td>Customer # SNYA003</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A Product and Pricing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. 25% Sodium Bisulfite Per Gallon $0.947</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. 20% Sodium Hydroxide Per Gallon $1.42</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Fuel Surcharge $20.00 per Mini-Bulk Delivery</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Requisition # RQ008256</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>All deliveries shall be to the WPCP facility ONLY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>This purchase order replaces BL003212.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Awarded by City Council 8/23/2011, RTC#</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**AUTHORIZED DEPARTMENT(S)**

<table>
<thead>
<tr>
<th>NO</th>
<th>DEPT NAME</th>
<th>RELEASE AMT</th>
</tr>
</thead>
<tbody>
<tr>
<td>9042</td>
<td>DUT/WPCP - Operations</td>
<td>$10,000.00</td>
</tr>
</tbody>
</table>

**DOCUMENT TERMS**

This purchase order is subject to the City of Sunnyvale Standard Terms and Conditions for the Purchase of Goods, dated 1/15/2000, a copy of which is attached and incorporated by reference (Form #TCBPO-G). Invoices must be sent directly to Accounts Payable at the address above and must reference the purchase order number. Failure to comply will result in a delay in payment processing.

Continued on Next Page
<table>
<thead>
<tr>
<th>BUYER:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Howard, Dreama</td>
</tr>
</tbody>
</table>

PHONE  (408) 730-7396  
FAX  (408) 730-7710