

**EXECUTIVE SUMMARY SHEET**  
CITY OF SAN DIEGO

DATE ISSUED: February 26, 2010  
ATTENTION: Natural Resources & Culture Committee  
Agenda of March 17, 2010  
ORIGINATING DEPARTMENT: Public Utilities  
SUBJECT: Purchase of Sodium Hypochlorite for Wastewater  
Disinfection and Odor Control  
COUNCIL DISTRICTS: City-wide  
STAFF CONTACT: Christopher McKinney (858) 292-6447

REQUESTED ACTION:

1. Authorize the Mayor or designee to award a contract to Olin Chlor, Inc., per Bid Number 9957-10-C for the purchase of sodium hypochlorite for wastewater disinfection and odor control.
2. Authorize expenses from the Metropolitan Wastewater Operating Fund 700001 in the amount of \$3,905,000.

STAFF RECOMMENDATION: Adopt the Resolutions.

EXECUTIVE SUMMARY:

Sodium hypochlorite is a chemical used, among others, to disinfect wastewater and control odors. This chemical is used for partial disinfection of treated wastewater at the Point Loma Wastewater Treatment Plant. The Point Loma Wastewater Treatment Plant's use of this chemical is anticipated to be 6,551,750 gallons annually, at a unit cost of \$0.548. The total pretax expenditure will be approximately \$3,590,000. Including applicable taxes, the expenditure will be approximately \$3,905,000.

Olin Chlor, Inc., was selected as the lowest responsible bidder. In addition to offering the lowest unit price among responsible bidders, this vendor also offers a 2% cash discount on invoices paid within 30 days of receipt.

The contract has an option to renew for four, additional one (1) year periods, with annual per unit cost increases not to exceed 20%.

EQUAL OPPORTUNITY CONTRACTING:

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708). This agreement is subject to the City's Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

FISCAL CONSIDERATIONS:

The total cost of this action is \$3,905,000. Funds are available in the approved FY10 operating budget for 3-months of this contract from, 4/1/2010 through 6/30/2010, for an estimate of \$974,000. Remaining funding is from the FY 2011 operating budget for the remaining 9-months of this contract from, 7/1/2010 through 3/31/2011, for an estimate of \$3,905,000.

PREVIOUS COUNCIL/COMMITTEE ACTION:

None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

This item will be presented to the Metro Technical Advisory Committee on March 17, 2010 and, the Metro Commission on April 1, 2010.

KEY STAKEHOLDERS:

Sodium hypochlorite is necessary for daily treatment of wastewater for 2.18 million regional customers in the Metropolitan Sewerage System, and for compliance with Federal, State, and County issued permit requirements. Insufficient application of this chemical could jeopardize ocean and air quality.



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Ann Sasaki  
Assistant Public Utilities Director



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J. M. Barrett  
Director of Public Utilities