

EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE ISSUED: June 1, 2010
ATTENTION: Natural Resources & Culture Committee
Agenda of June 16, 2010
ORIGINATING DEPARTMENT: Public Utilities
SUBJECT: Purchase of Sodium Hypochlorite for Odor Control at
Various Wastewater Treatment Facilities
COUNCIL DISTRICTS: City-wide
STAFF CONTACT: Christopher McKinney (858) 292-6447

REQUESTED ACTION:

1. Authorize the Mayor or designee to award a contract to JCI Jones Chemicals Inc., per Bid Number 9938-10-C for the purchase of sodium hypochlorite for odor control at wastewater treatment facilities.
2. Authorize expenses from the Metropolitan Wastewater Operating Fund 700001 in the amount of \$832,000.

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 odor control at the North City Water Reclamation Plant, the Metropolitan Biosolids Center, and five wastewater pump stations operated by the Wastewater Treatment and Disposal Division. Use of this chemical at these facilities is anticipated to be 1,266,000 gallons annually, at a unit cost of \$0.6043. The total pretax expenditure will be approximately \$765,000. Including applicable taxes, the expenditure will be approximately \$832,000.

JCI Jones, Inc. was selected as the lowest responsible bidder for deliveries to the above named facilities. 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 10%.

This action does not impact sodium hypochlorite purchases for the Point Loma Wastewater Treatment Plant because those purchases were previously approved by the Council under a different contract with a different vendor.

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 estimated cost of this action is \$1,039,000. Approximately \$207,000 was already encumbered in the FY 2010 operating budget. Remaining funding is from the FY 2011 operating budget, for an estimate of \$832,000, contingent upon the approval of the FY 2011 appropriation ordinance.

PREVIOUS COUNCIL/COMMITTEE ACTION:

None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

This item will be presented to the Metro Technical Advisory Committee on June 16, 2010 and, the Metro Commission on July 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 for odor control could jeopardize air quality.



Ann Sasaki
Assistant Public Utilities Director



Alex Ruiz
Interim Director of Public Utilities