

Public Utilities Department

Authorization for a First Amendment to the contract with California Water Technologies, LLC to purchase Ferrous Chloride for Wastewater Treatment Plants

Metro TAC
January 17, 2024

Background

- Ferrous chloride (FeCl_2) is a chemical used for hydrogen sulfide (H_2S) control in wastewater treatment plants. H_2S is a corrosive chemical which causes odor and is hazardous to human health.
- In May 2021, the City issued an Invitation to Bid (ITB) for Ferrous Chloride and executed a contract with California Water Technologies (CWT) in January 2022. Due to significant increases in raw material costs from the COVID-19 pandemic, the vendor requested an increase in the chemical price. The Public Utilities determined it was in the best interest of the City to rebid the contract to allow for open and fair competition based on the current market conditions.
- The contract was terminated, and an interim sole source contract with CWT was approved to avoid disruption of services to allow time to rebid the contract.
- Additional time is being requested to complete the new ITB process for ferrous chloride.

Expenditures

- The total not to exceed amount for this amendment is \$1,716,855 of which the estimated expense to the Metro JPA is \$566,562 (33%).



Recommended Action

- Approve the Metro expenditure and forward to the Metro JPA.



Questions?