

METRO JPA/TAC Staff Report

Subject Title: Purchase of Mannich Polymer (Clarifloc WE-453) from the vendor Polydyne, Inc.

Requested Action: The Metro Biosolids Center (MBC), in the Wastewater Treatment and Disposal Division (WWTD) requires the use of polymer to help in the dewatering process. Poly is used for the liquid / solid separation in the centrifuges. It assists to help bind the solids together which allows us to produce a dryer cake. That in turn lowers our hauling costs and lowers the amount of total dissolved solids that are returned to Pt. Loma from the MBC centrate line. Mannich is the type of polymer that has been tested to provide the best result. MBC was designed to use Mannich Polymer. We have tested other types of Polymers (emulsion) but they are more expensive and would require modification to our system and have not proved to provide a better liquid / solids separation.

On Monday, March 19, 2012, the polymer vendor community was invited to bid on the Mannich Polymer essential for MBC. While there are numerous vendors and manufacturers of Mannich Polymer nationwide, Polydyne, Inc., is the only vendor with production facilities in Southern California. As a result of this geographic advantage, all other manufacturers of Mannich Polymer declined to submit a bid which has resulted in Polydyne being the only responsive vendor for supplying MBC with Mannich Polymer.

To stay in compliance with the Point Loma Wastewater Treatment Plant (PTWTP), the National Pollutant Discharge Elimination System (NPDES) permit is dependent upon the use of Mannich Polymer as a flocculent in the biosolids dewatering process. MBC provides two treatment operations: thickening and digestion of the raw solids (raw sludge), which is generated at the North City Water Reclamation Plant (NCWRP); and the dewatering of the wet biosolids from both the PTWTP and the NCWRP.

Polydyne, Inc. was the only bid response in the bidding process for the chemical Mannich Polymer. This contract is for one (1) year with four (4) additional one (1) year options, for the price of \$2.328 per active pound for the first year, per Bid Number 10024218-12-C.

Recommendations:

Metro TAC:	Submitted to Metro TAC for consideration on May 16, 2012.
IROC:	N/A- This contract is included in the approved Metro operating budget and does not require IROC review.
Prior Actions: (Committee/Commission, Date, Result)	N/A

Fiscal Impact: The total cost of this action is \$10,873,968.86 with taxes for the entire contract term with option increases not-to-exceed 10%. Funds will be available in the WWTD operating budget, Metro Fund 700001, contingent upon approval of each fiscal year's budget.

FY 2013 – Projected Expenditures	\$ 1,781,128.71
FY 2014 – Projected Expenditures*	\$ 1,959,241.58
FY 2015 – Projected Expenditures*	\$ 2,155,165.73
FY 2016 – Projected Expenditures*	\$ 2,370,682.31
FY 2017 – Projected Expenditures*	<u>\$ 2,607,750.54</u>
TOTAL	\$10,873,968.87

*Projected Expenditures include 10% annual increases per the bid contract.

Is this projected budgeted?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>																														
Cost breakdown between Metro & Muni:	100% Metro																														
Financial impact of this issue on the Metro JPA:	<p>Estimated Fiscal impact for JPA at 35%:</p> <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Metro = 65%</th> <th>Muni = 0%</th> <th>JPA Impact = 35%</th> <th>Total Request</th> </tr> </thead> <tbody> <tr> <td>FY 2013</td> <td>\$1,157,733.66</td> <td>\$0.00</td> <td>\$623,395.05</td> <td>\$1,781,128.71</td> </tr> <tr> <td>FY 2014</td> <td>\$1,273,507.03</td> <td>\$0.00</td> <td>\$685,734.55</td> <td>\$1,959,241.58</td> </tr> <tr> <td>FY 2015</td> <td>\$1,400,857.73</td> <td>\$0.00</td> <td>\$754,308.00</td> <td>\$2,155,165.73</td> </tr> <tr> <td>FY 2016</td> <td>\$1,540,943.50</td> <td>\$0.00</td> <td>\$829,738.81</td> <td>\$2,370,682.31</td> </tr> <tr> <td>FY 2017</td> <td>\$1,695,037.85</td> <td>\$0.00</td> <td>\$912,712.69</td> <td>\$2,607,750.54</td> </tr> </tbody> </table>	Fiscal Year	Metro = 65%	Muni = 0%	JPA Impact = 35%	Total Request	FY 2013	\$1,157,733.66	\$0.00	\$623,395.05	\$1,781,128.71	FY 2014	\$1,273,507.03	\$0.00	\$685,734.55	\$1,959,241.58	FY 2015	\$1,400,857.73	\$0.00	\$754,308.00	\$2,155,165.73	FY 2016	\$1,540,943.50	\$0.00	\$829,738.81	\$2,370,682.31	FY 2017	\$1,695,037.85	\$0.00	\$912,712.69	\$2,607,750.54
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Capital Improvement Program: N/A																															
New Project?	Yes <input type="checkbox"/> No <input type="checkbox"/>																														
Existing Project?	Yes <input type="checkbox"/> No <input type="checkbox"/> upgrade/addition <input type="checkbox"/> change <input type="checkbox"/>																														
Comments/Analysis:																															
Previous TAC/JPA Action: None.																															
Additional/Future Action: Pending consideration by the Metro Commission on June 7, 2012; to be considered by the NR&C Committee on June 27, 2012.																															
City Council Action: To be considered by the NR&C Committee on June 27, 2012; tentatively scheduled for consideration by full Council in July, 2012.																															