



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: AUGUST 6, 2024**

FROM: PUBLIC WORKS DEPARTMENT **WARDS: ALL**

SUBJECT: ANNUAL PURCHASE ORDERS FOR FISCAL YEAR 2024/25 FOR CHEMICAL PURCHASES FOR THE RIVERSIDE REGIONAL WATER QUALITY CONTROL PLANT (RWQCP) AS PER SECTIONS 404 AND 602(J) OF PURCHASING RESOLUTION NO. 24101: CITRIC ACID FROM NORTHSTAR CHEMICAL, OF SANTA FE SPRINGS, CALIFORNIA, IN THE AMOUNT OF \$300,000; FERRIC CHLORIDE FROM KEMIRA WATER SOLUTIONS, INC., OF FONTANA, CALIFORNIA, IN THE AMOUNT OF \$750,000; SODIUM BISULFATE WITH UNIVAR USA, INC., OF KENT, WASHINGTON, IN THE AMOUNT OF \$700,000; SODIUM HYPOCHLORITE FROM PIONEER AMERICAS, LLC., OF WILMINGTON, DELAWARE, IN THE AMOUNT OF \$2,379,581; AND POLYMER FROM SNF POLYDYNE, INC., OF RICEBORO, GEORGIA, IN THE AMOUNT OF \$1,700,000, FOR A TOTAL AMOUNT OF \$5,829,581

ISSUE:

Approve five annual purchases orders for Fiscal Year 2024/25 for chemical purchases for the Riverside Regional Water Quality Control Plant (RWQCP) as per Sections 404 and 602(J) of Purchasing Resolution No. 24101: 1) citric acid from Northstar Chemical, of Santa Fe Springs, California, in the amount of \$300,000; 2) ferric chloride from Kemira Water Solutions, Inc., of Fontana, California, in the amount of \$750,000; 3) sodium bisulfate with Univar USA, Inc., of Kent, Washington, in the amount of \$700,000; 4) sodium hypochlorite from Pioneer Americas, LLC., of Wilmington, Delaware, in the amount of \$2,379,581; and 5) Polymer from SNF Polydyne, Inc., of Riceboro, Georgia, in the amount of \$1,700,000, for a total amount of \$5,829,581.

RECOMMENDATIONS:

That the City Council:

1. Approve an annual Purchase Order with Northstar Chemical of Santa Fe Springs, California, for citric acid in the amount \$300,000;
2. Approve an annual Purchase Order with Kemira Water Solutions, Inc., of Fontana, California, for ferric chloride in the amount of \$750,000;
3. Approve an annual Purchase Order with Univar USA, Inc., of Kent, Washington, for sodium bisulfite in the amount of \$700,000;
4. Approve an annual Purchase Order with Pioneer Americas, LLC., of Wilmington, Delaware, for sodium hypochlorite in the amount of \$2,379,581; and

5. Approve an annual Purchase Order with SNF Polydyne, Inc., of Riceboro, Georgia, for polymer in the amount of \$1,700,000.

BACKGROUND:

The Public Works Department Wastewater Division is responsible for the collection and treatment of wastewater generated within the City of Riverside and the communities of Edgemont, Highgrove, Jurupa, and Rubidoux at the Riverside Regional Water Quality Control Plant (RWQCP). To satisfy the United States Environmental Protection Agency’s (EPA) National Pollution Discharge Elimination System (NPDES) permit, wastewater must be treated to achieve regulatory water quality standards, The RWQCP treatment processes require various chemicals, including citric acid and ferric chloride, to achieve water quality objectives.

DISCUSSION:

Staff conducted a comprehensive market analysis comparing current vendor pricing to other businesses that offer similar goods and found unit costs for chemicals vary depending on the type.

During the challenges posed by COVID-19, staff learned the importance of direct contracting with manufacturers for chemical procurement. This approach proved to offer the most reliable delivery of chemicals. Conversely, vendors who act as intermediaries between manufacturers and consumers demonstrated unreliability during supply chain disruptions. Moreover, staff encountered recurring instances where vendors claimed to fulfill chemical supply needs but ultimately fell short of meeting quantity and delivery requirements.

A summary of the chemicals being purchased at the RWQCP are listed in Table 1.

Table 1 – FY 2024/2025 Annual Chemical Purchase

Vendor	Chemical	Cost	Price Change
Northstar Chemical	Citric Acid	\$300,000	Decrease of 19.7%
Kemira Water Solutions, Inc.	Ferric Chloride	\$750,000	Increase of 9.2%
Univar USA, Inc.	Sodium Bisulfate	\$700,000	Increase of 8.9%
Pioneer Americas LLC	Sodium Hypochlorite	\$2,379,581	Same
SNF Polydyne, Inc.	Polymer	\$1,700,000	Same
Total FY 2024/2025 Chemical Costs:		\$5,829,581	

Staff will monitor chemical purchases in the upcoming year to make adjustment recommendations, if necessary.

Purchasing Resolution No. 24101 Section 404, Utilities Exceptions states, “The Water, Electric and Sewer Utilities have a need for compatibility within their respective systems for uniform operations, maintenance and replacement, and this need can be met by procuring certain supplies, equipment, and materials supplies through Informal Procurement or Negotiated Procurement. If it appears to the manager to be in the best interest of overall economy and efficiency of the City to do so, and it is within existing budget appropriation, the following supplies, equipment, and materials are determined to be peculiar to the needs of the Water Utility, the Electric Utility, and the Sewer Utility and may be acquired by informal Procurement or Negotiated Procurement, regardless of their estimated Procurement expenditure amounts, provided that the

City's Board of Public Utilities or City Council shall have approved the proposed acquisition if required under the provisions of the City Charter, either by approval of the procurement contract or approval of annual purchase orders."

Purchasing Resolution No. 24101, Section 602(J) authorizes the purchase of goods "When the Procurement is subject to Section 404 of this Resolution, which generally allows for items peculiar to the needs of Riverside Public Utilities (Section 1203 of the City Charter) and Public Works – Sewer to be made through Informal or Negotiated Procurement."

The Purchasing Manager concurs that the recommended actions are compliant with Resolution No. 24101, Sections 404 and 602(J).

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 4 – Environmental Stewardship** and **Goal 4.2 – Sustainably manage local water resources to maximize reliability and advanced water reuse to ensure safe, reliable, and affordable water to our community.**

This item also aligns with the five Cross-Cutting Threads as follows:

1. **Community Trust** – Conducting water treatment routines ensures wastewater discharges do not negatively impact the community and environment. The RWQCP requires a variety of chemicals to treat wastewater to comply with federal, state, regional and local regulatory requirements.
2. **Equity** – The purchase of these chemicals supports RWQCP efforts in protecting the public's health and environment by ensuring wastewater treatment is performed efficiently in compliance with federal, state, regional, and local regulatory requirements.
3. **Fiscal Responsibility** – The purchase of these chemicals supports RWQCP efforts in minimizing inefficiencies and developing control methods to maximize reliability and ensure efficient wastewater treatment.
4. **Innovation** – The purchase of these chemicals exemplifies a collaborative partnership between Northstar Chemical of Santa Fe Springs, California; Kemira Water Solutions Inc., of Fontana, California; Pioneer Americas, LLC., of Wilmington, Delaware; and Univar USA, Inc., of Kent, Washington, to enhance operational reliability by achieving measurable improvements through proper wastewater treatment.
5. **Sustainability & Resiliency** – The purchase of these chemicals supports the implementation of sustainability to treat wastewater that is generated within the City of Riverside and the communities of Edgemont, Highgrove, Jurupa, and Rubidoux at the Riverside Water Quality Control Plant.

FISCAL IMPACT:

This total fiscal impact of the action is \$5,829,581. Sufficient funds are budgeted and available in the Sewer Fund, Sewer System Treatment, Chemical Supplies account number 4125200-426600 and Sewer Collection Systems Maintenance, Chemical Supplies account number 4125100-426600.

Prepared by: Valerie Espinoza, Senior Administrative Analyst
Approved by: Gilbert Hernandez, Public Works Director
Certified as to
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Kris Martinez, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachment: Presentation