



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: JUNE 20, 2023**

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

**SUBJECT: ANNUAL PURCHASE ORDERS FOR FISCAL YEAR 2023/24 FOR CHEMICAL PURCHASES FOR THE RIVERSIDE REGIONAL WATER QUALITY CONTROL PLANT (RWQCP) AS PER SECTIONS 404 AND 602 (J) OF PURCHASING RESOLUTION NO. 23914: CITRIC ACID FROM NORTHSTAR CHEMICAL, OF SANTA FE SPRINGS, CALIFORNIA, IN THE AMOUNT OF \$383,250; FERRIC CHLORIDE FROM KEMIRA WATER SOLUTIONS, INC., OF FONTANA, CALIFORNIA, IN THE AMOUNT OF \$945,000; SODIUM BISULFATE WITH UNIVAR USA, INC., OF KENT, WASHINGTON, IN THE AMOUNT OF \$735,000; SODIUM HYPOCHLORITE FROM PIONEER AMERICAS, LLC., OF WILMINGTON, DELAWARE, IN THE AMOUNT OF \$1,820,000; AND POLYMER FROM SNF POLYDYNE, INC., OF RICEBORO, GEORGIA, IN THE AMOUNT OF \$1,470,000, FOR A TOTAL AMOUNT OF \$5,353,250**

## **ISSUES:**

Approve five annual purchase orders for Fiscal Year 2023/24 for chemical purchases for the Riverside Regional Water Quality Control Plant (RWQCP) as per Sections 404 and 602 (J) of Purchasing Resolution No. 23914: 1) citric acid from Northstar Chemical, of Santa Fe Springs, California, in the amount of \$383,250; 2) ferric chloride from Kemira Water Solutions, Inc., of Fontana, California, in the amount of \$945,000; 3) sodium bisulfate with Univar USA, Inc., of Kent, Washington, in the amount of \$735,000; 4) sodium hypochlorite from Pioneer Americas, LLC., of Wilmington, Delaware, in the amount of \$1,820,000; and 5) Polymer from SNF Polydyne, Inc., of Riceboro, Georgia, in the amount of \$1,470,000, for a total amount of \$5,353,250.

## **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 \$383,250;
2. Approve an annual Purchase Order with Kemira Water Solutions, Inc., of Fontana, California, for ferric chloride in the amount of \$945,000;
3. Approve an annual Purchase Order with Univar USA, Inc., of Kent, Washington, for sodium bisulfite in the amount of \$735,000;

4. Approve an annual Purchase Order with Pioneer Americas, LLC., of Wilmington, Delaware, for sodium hypochlorite in the amount of \$1,820,000; and
5. Approve an annual Purchase Order with SNF Polydyne, Inc., of Riceboro, Georgia, for polymer in the amount of \$1,470,000.

### **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:**

Chemical purchases for Fiscal Year 2023/24 can be made pursuant to Purchasing Resolution No. 23914 Sections 404 and 602 (J), which allow the purchase of chemicals through informal or negotiated procurement providing it is in the best interest of the City to do so.

Staff conducted a general market analysis comparing current vendor pricing to other businesses that offer similar goods and found unit costs for chemicals have increased. Market volatility, certain supply shortages, increase in the cost of raw materials, and an increase in the Consumer Price Index (CPI) can be attributed to the overall cost increases.

A summary of the chemicals being purchased at the RWQCP is listed in Table 1 below:

Table 1 – FY 2023/24 Annual Chemical Purchase Orders

Vendor	Chemical	Cost	Price Change
Northstar Chemical	Citric Acid	\$383,250	Decrease of 30%
Kemira Water Solutions, Inc.	Ferric Chloride	\$945,000	Increase of 22%
Univar USA, Inc.	Sodium Bisulfate	\$735,000	Increase of 11%
Pioneer Americas LLC	Sodium Hypochlorite	\$1,820,000	Increase of 44%
SNF Polydyne, Inc.	Polymer	\$1,470,000	Increase of 6%
<b>Total FY 2023/24 Chemical Costs:</b>		<b>\$5,353,250</b>	

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

Purchasing Resolution No. 23914 Section 404, Utilities Exceptions states, "The Water, Electric and Sewer Utilities have a need for compatibility within their respective systems for uniform operation, 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.”

The Purchasing Manager concurs that the recommended actions are compliant with Resolution No. 23914, Section 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 develop 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:**

The total fiscal impact of the action is \$5,353,250. Upon adoption by Council of the FY 2023/24 budget of \$1,415,868 on June 27, 2023, sufficient funds will be available in the Sewer Fund, Sewer Systems Treatment, Chemical Supplies account number 4125200-426600 and Sewer Collection Systems Maintenance, Chemical Supplies account number 4125100-426600.

Certified as to

availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer

Approved by: Kris Martinez, Assistant City Manager

Approved as to form: Phaedra A. Norton, City Attorney

Attachment: Presentation