



Staff Report

TO: City Council
FROM: Thaxton Van Belle, Chief Plant Operator
DATE: June 15, 2021
SUBJECT: Approve the First Extension of the Wastewater Treatment Plant Chemical Supply Contract with HASA, Inc.

Background and Analysis:

City staff issued a request for bids in May 2020, for chemical supplies required to operate the new advanced treatment plant. On July 7, 2020, the City Council approved a contract with HASA, Inc. (HASA), for the chemical supply of sodium hypochlorite.

HASA has been very accommodating and excellent to work with over the past year, considering the wastewater treatment plant's state of construction and the challenges presented.

HASA has submitted pricing for the next fiscal year, with a slight cost increase due to supply and manufacturing constraints, as well as inflationary pressure throughout the supply chain with upward trends on labor and transportation costs. The following table illustrates the original bid pricing and the current proposed pricing for FY2022.

Chemical	2021 Price Per Gallon	2022 Price Per Gallon
Sodium Hypochlorite 2500 -3999 Gallons (short truck)	\$0.95	\$0.98
Sodium Hypochlorite >4000 Gallons (full truck)	\$0.85	\$0.86

Fiscal Impact:

The cost to prepare this report is estimated at \$500.

Recommended Action:

Approve a one-year extension of the existing contract for supply of sodium hypochlorite with HASA, Inc., with adjusted rates as outlined in the First Amended Chemical Supply Agreement.

Attachments:

- A. Original Contract, with RFP Documents
- B. Proposed FY 2022 Contract Extension