

CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Logan Hickey **MEETING DATE:** 08/01/2024

AGENDA SECTION: Consent Agenda DEPARTMENT: Finance, WTP

TITLE OF ITEM: Purchase of Chlorine- Logan Hickey, Ricky Levi

SUGGESTED MOTION(S):

I move City Council adopt the Resolution by the City of Hendersonville City Council to Authorize the continued Purchase of Chlorine for the City Water Treatment Plant.

SUMMARY:

The City of Hendersonville's Finance Department is submitting this request on behalf of the City's Water Treatment Plant. The WTP utilizes chlorine. Chlorine is required by the state for certain levels in the treatment train for certain CT/Contact Times and a certain residual level must be maintained in the distribution system. Additionally, there are no other suppliers in our region. If we did go outside of our region – product availability, cost, safety, and would be an issue.

Requesting department has been looking for additional chlorine suppliers each year. When current staff took over position, staff was informed by other staff that there weren't any suppliers/vendors close enough that could provide chlorine in the containers nor amount used by the City. Requesting department has made several attempts to locate additional suppliers and has inquired to everyone in the industry contacts – with no success. Attached are example emails of the latest search efforts. Additionally, requesting department has brought in Brenntag chemical in the past to look things over. It was learned that the vendor is unable to supply the amount needed by the City in ton containers and is not equipped to supply currently. This was the only lead requesting department had, and this vendor is not located in NC. The others with applicable capabilities were in either Florida or South Georgia and indicated that have to keep their regional customers supplied, so, according to those vendors, the City would not have a place of priority if that route was selected. In addition to increased cost, this distance is not in line with best safety practices.

Additionally, the City's RMP Risk Management Plan (which is filed with the USEPA, NCDEQ) and Emergency Management require certain safety training along with training at City facilities to be documented. The inspectors prefer that facilities keep the same vendor as much as possible from a safe handling aspect.

Overall, there are no other viable options other than JCI Jones Chemical (out of Charlotte, NC) who can provide chlorine gas in the ton containers and in the volume the City requires for water treatment disinfection at the City's 12 million per gallon a day rated water treatment facility. The City uses 2000 lb. cylinders and one ton will last about 10 days. The City's maximum allowed facility storage amount

at any one time is 8 tons/16,000 lbs. This is regulated by the State and Federal government. The current market price is \$2,158 per ton delivered. The volatile market is continuing at this time. The City also has email documentation regarding extensive market volatility and price increases. Due to the cost escalation in the current market, chlorine costs are now exceeding formal bid thresholds. Costs have nearly quadrupled over the past two years. Therefore, we are seeking council approval to continue use of JCI Jones Chemicals in order to ensure that we are able to consistently source this chemical safely and to ensure effective operation of our facilities.

BUDGET IMPACT: \$70,000.00

Is this expenditure approved in the current fiscal year budget? Yes

ATTACHMENTS:

Resolution