STAFF REPORT
REGULAR MEETING

AGENDA DATE: October 27, 2026 **DEPARTMENT:** Water Utilities

TITLE:

Agreement with Shannon Chemical Corporation for corrosion control chemicals for the City's Water Treatment Plant

SUMMARY:

Agreement for the authorization to purchase SNC Type N2 corrosion control chemical on an as-needed basis for use at the City's Water Treatment Plant in an amount not to exceed $50,000 annually, utilizing the City of Clearwater's competitively awarded chemical supply contract through an approved piggyback procurement.

BACKGROUND AND JUSTIFICATION:

The Water Utilities Department utilizes SNC Type N2 as a key corrosion control chemical to maintain distribution system water quality and ensure compliance with state and federal drinking water regulations. Consistent availability of corrosion inhibitor is necessary to maintain proper water stability, prevent internal pipe corrosion, and support the City's ongoing regulatory compliance with the Lead and Copper Rule.

Chemical usage varies depending on finished water quality, system demand, and operational conditions. To ensure reliable supply and uninterrupted operations, the City must maintain the ability to order this chemical on an as-needed basis throughout the fiscal year.

Shannon Chemical Company is a current vendor under an active City of Clearwater contract for SNC Type N2. Pursuant to City procurement policies, the Water Utilities Department may piggyback competitively awarded contracts from other governmental agencies when pricing, scope, and terms are advantageous. Piggybacking Clearwater's contract ensures consistent pricing, supply chain reliability, and avoids delays associated with conducting a separate solicitation. This contract is through 2029.

MOTION:

Move to approve/disapprove the Agreement with Shannon Chemical Corporation for corrosion control chemicals for the City's Water Treatment Plant in an amount not to exceed $50,000 annually, by piggybacking the City of Clearwater's existing chemical supply contract.

ATTACHMENT(S):

Fiscal Impact Analysis
Agreement

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	**2027**	**2028**	**2029**	**2030**	**2031**
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	$50,000.00	50,000	50,000	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact *(If not budgeted)*	0	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Water Utilities
Division	Water Treatment
GL Description	Operating Supplies / Chemicals
GL Account Number	402-7022-533.52-30
Project Number	N/A
Requested Funds	$50,000.00
Remaining Balance	$707,050.00
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Paygo