

# CITY OF NORMAN, OK STAFF REPORT

## **MEETING DATE:** 07/26/2022

**REQUESTER:** ANDREW BRUEHL, UTILITIES SUPERVISOR

**PRESENTER:** GERI WELLBORN, UTILITIES MANAGER

ITEM TITLE: CONSIDERATION OF AWARDING, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF BID 2122-86: SUBMITTED BY POET PURE ETHANOL PRODUCTS IN THE AMOUNT OF \$250 PER TON FOR THE PURCHASE OF CARBON DIOXIDE FOR THE WATER TREATMENT FACILITY.

## BACKGROUND:

On June 30, 2022, bids were opened for Carbon Dioxide (Bid 2122-86). Carbon Dioxide is used for pH adjustment in the treatment of water. Funds in the amount of \$1,002,299 have been budgeted in the fiscal year 2022-2023 (FYE 2023) Budget, Water Fund - Water Treatment Plant - Operating Chemicals (account 31955234-43108) for purchase of all treatment chemicals.

#### DISCUSSION:

Specifications for Carbon Dioxide (Bid 2122-86) were sent to five (5) vendors and one (1) bid was received. No-bids were due to uncertain costs and supply demands. The lowest and best bid meeting all specifications was submitted by Poet Ethanol Products of Wichita, KS, in the amount of \$250 per ton. This compares to a cost of \$125 per ton last year for an increase of 200 percent (200%). This increase has occurred primarily due to shipping/transporting costs.

#### **RECOMMENDATION:**

Purchases will be made throughout FYE 2023. Bids have been examined by staff and found to be in order and proper as to form. Based upon the above information, staff recommends acceptance of the lowest and best bid as listed above.