Council Agenda Date: 6/14/2023

Council District: All

Agenda Item #: TBD

**Ratification to Pay Chemical Invoices – $9,113,464.47 (total)**

*Lhoist North American of Texas, Ltd.- $1,730,017.82*

*Solvay Fluorides, LLC $105,699.60*

*Brenntag Southwest, Inc. - $5,584,286.89*

*INEOS Calabrian Corp. - $149,543.76*

*Carbon Activated Corp. - $386,280.00*

*Polydyne Inc. - $62,812.80*

*Chameleon Industries, Inc. - $558,435.52*

*Shrieve Chemical Company - $536,388.08*

**FACT SHEET**

**Project Scope**

To authorize the ratification to pay outstanding invoices for the uninterrupted provision of goods needed to sustain the utility’s drinking water and wastewater treatment operations for the protection of the public health and safety until new chemical contracts were awarded. Not to exceed $9,113,464.47.

**Project impact**

Worldwide shortages in key raw materials, further worsened by the pandemic, supply chain challenges, natural disasters, the global humanitarian crisis, and escalating freight costs resulted in various contracted suppliers unable to honor established prices. At the point of declaring force majeure, the discontinuation of product delivery would have jeopardized the utility’s ability to provide essential water and wastewater services to our community.

This item allows for the ratification of purchases needed to preserve and protect the public health and safety of the community, allowing the City to continue basic water and wastewater operations from vendors previously under contracts tied to master agreements 2018-00004459, 2018-00005568, POM-2019-00010209, DWU-2019-00011206, DWU-2019-00011205, DWU-2020-00011752, DWU-2020-00013005, and DWU-2020-00013640. These purchases were made between April 22, 2022 and March 31, 2023 and were funded in the FY22 and FY23 Budget.

The procurement to replace the above listed contracts was completed with the last bulk chemical contract awarded by City Council in January 2023. The new master agreements were updated to provide improved flexibility to address future price adjustments, protecting the City’s ability to continuously meet our community’s expectations to provide regulatory compliant water and wastewater services.

**Status**

The current master agreements have been suspended and new master agreements have been established to continue treating water and wastewater.

**Additional Work required**

None.

**Background**

* The master agreement for **anhydrous ammonia** 2018-00004459 term was from 1/03/2018 to 01/03/2022 for a total amount of $1,913,890.44.
* The master agreement for **lime** 2018-00005568 term was from 3/28/2018 to 3/28/2023 for a total amount of $17,245,482.00.
* The master agreement for **fluoride** POM-2019-00010209 term was from 8/14/2019 to 8/14/2022 for a total amount of $1,163,625.00.
* The master agreement for **sulfur dioxide** DWU-2019-00011206 term was from 12/11/2019 to 12/11/2022 for a total amount of $1,701,180.00.
* The master agreement for **railcar chlorine** DWU-2019-00011205 term was from 11/13/2019 to 11/13/2022 for a total amount of $4,791,800.00.
* The master agreement for **filtration media** DWU-2020-00013005 term was from 6/10/2020 to 6/10/2023 for a total amount of $394,406.00.
* The master agreement for **polymer** DWU-2020-00011752 term is from 5/13/2020 to 5/13/2025 for a total amount of $15,494,062.50.
* The master agreement for **liquid ammonia sulfate** DWU-2020-00013640 term was from 9/09/2020 to 9/09/2023 for a total amount of $1,271,000.