

Environment Committee

Meeting date: July 14, 2020

For the Metropolitan Council meeting of July 22, 2020

Subject: MCES Process Bulk Chemicals for 2020, Contract 20P110

District(s), Member(s): All

Policy/Legal Reference: Council Expenditure Policy 3-3, Procurement of Goods and Services

Staff Prepared/Presented: Joseph Ward, 651-602-8302

Division/Department: Environmental Services

Proposed Action

That the Metropolitan Council authorizes award and execution of multiple purchase orders for eight (8) MCES Process Bulk Chemicals, with four (4) vendors, to include; C & S Chemicals, Inc., Hawkins, Inc., PVS Technologies, Inc., and DPC Industries, Inc., for a combined total award amount not to exceed \$10,900,000.

Background

Process chemicals (sodium hypochlorite, sodium bisulfite, sodium hydroxide (caustic), aluminum sulfate (alum), ferric chloride, muriatic acid, sulfuric acid, and an organic carbon compound) are used for a variety of purposes during the treatment process at MCES's wastewater treatment plants.

A previous contract was executed in 2016 and is now up for renewal.

The Invitation for bids (IFB) was advertised on April 23, 2020. There were fifteen (15) plan holders. Procurement facilitated an online public bid opening on June 16, 2020 when seven (7) bids were received. The Office of Equal Opportunity (OEO) did not submit a Disadvantaged Business Enterprise (DBE) goal on this project due to the very specialized goods and lack of DBE suppliers available to provide the goods. The purchase orders will be for a period of two (2) years at a fixed price and an optional three (3), one (1) year renewals with a maximum 5% cap each year based on verifiable increases in cost to the supplier.

The four (4) selected vendors and proposed award amounts are the lowest responsive and responsible bidders:

C & S Chemicals, Inc. - \$1,118,000.00
Hawkins, Inc. - \$2,186,505.00
PVS Technologies, Inc. - \$2,814,350.00
DPC Industries, Inc. - \$3,909,292.50

Estimated expenditures for these process chemicals with verifiable increases are \$10,900,000 over the five-year period.

Rationale

The award and execution of Goods contracts in excess of \$500,000 requires Council approval.

Thrive Lens Analysis

This action advances the Thrive outcome of stewardship. Public financial resources will be invested efficiently and effectively to maintain proper operation of the Metropolitan Disposal System which protects the region's natural resources.

Funding

Funds are available through the annual operating budget of each facility utilizing the chemicals.

Known Support / Opposition

No known opposition.