

Environment Committee

For the Metropolitan Council meeting of April 10, 2019

Subject: Sole Source Purchase of Goods and Services from Evoqua Water Technologies Inc.

Proposed Action

That the Metropolitan Council authorize its Regional Administrator to execute a sole-source contract with Evoqua Water Technologies Inc. not to exceed \$2,000,000 to provide nitrate salts, odor control equipment and odor control services to the Interceptor Services Business Unit (ISBU) for the period May 1, 2019 through January 31, 2020.

Summary of Committee Discussion/Questions

Committee Member Fredson inquired how the locations of the oxide sites were determined. Staff stated the locations were determined strategically where there could be or have been odor issues in the past. The locations were optimal to mitigate potential odors.

Committee Member Sterner asked if staff had looked into handling this service internally. Staff stated we are looking to provide services internally; however, there is a level of expertise that the vendor currently provides that allows them to efficiently handle the process. In addition, the vendor provides the necessary equipment and storage tanks that MCES does not currently have. At present, having a vendor conduct the work is a better business decision.

Committee Member Vento inquired if staff are attempting to find an alternative to nitrate salt. Staff stated an evaluation was recently completed to determine a suitable alternative; however, one has not been determined at this time.

Environment Committee

Meeting date: March 26, 2019

For the Metropolitan Council meeting of April 10, 2019

Subject: Sole Source Purchase of Goods and Services from Evoqua Water Technologies Inc.

District(s), Member(s): All

Policy/Legal Reference: Council Policy 3-3 Expenditures-Procurement of Goods and Services over \$500,000.

Staff Prepared/Presented: Bert Tracy, 651-602-4024; Mike Mereness, 651-602-8296

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Background

The ISBU facilities' collect and convey wastewater from communities across the Metropolitan Area to various wastewater treatment plants. Nitrate salts are added to the conveyance system at strategic locations to minimize the odorous impacts of conveying wastewater through these communities and assist in reducing the corrosive impacts of the wastewater on the integrity of the conveyance system.

The Council has contracted over several years with Evoqua to provide nitrate salts, odor control equipment and services. Evoqua has installed and owns the chemical storage tanks and chemical delivery systems (i.e. pumps, etc.) at several ISBU facilities across our collection system making a competitive bidding process difficult.

Environmental Services staff have recently evaluated alternate services and chemicals to achieve the same odor and corrosion protection as nitrate salts; however, a suitable alternative is presently unavailable.

The recommendation is to execute a sole source procurement with Evoqua for nine months to allow Environmental Services the opportunity to conduct a cost analysis to purchase, lease, or determine a suitable alternative to allow for a competitive bid process.

Rationale

Evoqua has provided responsible service and their unit price has been determined to be fair and reasonable.

The sole source will be for a period of nine months with an estimated expenditure of \$2,000,000 for goods and services.

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 in the annual operating budgets of the Interceptor Services Business Unit.

Known Support / Opposition

There is no known opposition.