

## Committee Report

*Business Item No. 2021-265*

### Environment Committee

For the Metropolitan Council meeting of October 13, 2021

**Subject:** MCES Process Bleach and Bisulfite Bulk Chemicals, Contract 21P122

#### Proposed Action

That the Metropolitan Council authorize its Regional Administrator to award and execute Contract 21P122 with Hawkins, Inc., for bleach and bisulfite supply for a total award not to exceed \$5,400,000.

#### Summary of Committee Discussion/Questions

Committee Member Sterner asked if Hawkins is a local company. Staff stated they are local and based in Roseville. They are the only local company available for bleach supply in the region.

Chair Lindstrom asked what the status of chemical companies is and if acquisition of chemicals is becoming an issue in general. Staff added that it is not anticipated chemical companies to continue to leave our area, but there are challenges currently with chemical supply in our region, in part, due to the pandemic.

The proposed action was approved and forwarded to the October 13, 2021 Council meeting for approval.

## Environment Committee

Meeting date: September 28, 2021

For the Metropolitan Council meeting of October 13, 2021

**Subject:** MCES Process Bleach and Bisulfite Bulk Chemicals, Contract 21P122

**District(s), Member(s):** All

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

**Staff Prepared/Presented:** Leslee Storlie, 651-602-8427

**Division/Department:** MCES c/o Leisa Thompson, 651-602-8101

### Proposed Action

That the Metropolitan Council authorize its Regional Administrator to award and execute Contract 21P122 with Hawkins, Inc., for bleach and bisulfite supply for a total award not to exceed \$5,400,000.

### Background

Sodium hypochlorite (bleach) and sodium bisulfite (bisulfite) are important chemicals used in various treatment processes, but primarily for disinfection and dechlorination of treated wastewater effluent. Disinfection and dechlorination are required at MCES plants between April 1 and October 31 each year for compliance with Minnesota Pollution Control Agency (MPCA) permits.

In February 2021, an emergency declaration was approved to award Hawkins, Inc., a contract to supply bleach and bisulfite when the previous supplier, DPC, sold their Minnesota chemical plant and equipment, not the business and contracts, to Hawkins, Inc. The supply period for this emergency declaration was set to last through 2021 to allow new invitation for bids to occur and not interfere with peak disinfection season. The contract in question, will replace the emergency declaration and allow for the continuation of the MPCA permit required disinfection starting in 2022.

The Invitation for Bids was advertised on June 11, 2021. The pre-bid meeting was hosted by Council staff that outlined the solicitation requirements, discussed project specifications and responded to plan holder inquiries.

There were eight plan holders, six prime bidders/suppliers, two plan rooms, and two plan holders identified as woman, minority, veteran or disadvantaged business enterprises. Procurement facilitated an online public bid opening on July 21, 2021, and one bid was received for bleach, and two bids were received for bisulfite.

### Office of Equal Opportunity

The Office of Equal Opportunity thoroughly reviewed this procurement in accordance with applicable federal and state laws and regulations and concluded that this was a procurement of goods and therefore did not establish an MCUB goal.

### Rationale

The two bids received for bisulfite ranged from \$1,205,520 to \$2,020,000. The one bid received for bleach was \$3,973,460. Hawkins, Inc., is the lowest, responsive, and responsible bidder for both chemicals at \$5,178,980 and recommended for award. The resulting purchase orders will be for a period of two years at a fixed price and an optional two, one-year renewals with a maximum 5% cap each year based on verifiable increases in cost to the supplier. Estimated expenditures for these process chemicals with verifiable increases are \$5,400,000 over the four-year period. The issuance of a purchase order 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 support or opposition.