

Committee Report

Environment Committee



Committee meeting date: April 8, 2025

For the Metropolitan Council: April 23, 2025

Business Item: 2025-92

Purchase of Bulk Caustic Chemical, Contract 24P293

Proposed action

That the Metropolitan Council authorize its Regional Administrator to award and execute contract 24P293 with Hawkins, Inc. to provide bulk caustic at MCES Wastewater Treatment Plants in an amount not to exceed \$2,884,018

Summary of Environment Committee discussion/questions

- CM Wulff asked: Why is the authorization more than the actual bid?
- Staff responded: The total budget allows room for inflation and possible price increases based on the annual contract extensions. The business item is for full approval to exercise all rights for extensions and anticipated usage throughout the extension period. Annual extension letters will be developed for each extension period based on the value and usage of the chemical for that year.
- CM Vento asked: Are there other environmental services purchases impacted by tariffs?
- Staff responded: I am not sure, we can look into it and get back to you. These are reviewed on a case by case basis to determine when tariffs do and don't apply. Hawkins is a US company but we are not certain of the country of origin is for all the specific materials with Hawkins chemicals.
- CM Carter: Are there any unusual cost with disposing this product?
- Staff responded: The chemical is all used during the process so none remains to be disposed of.

Motion by CM Vento, seconded by CM Wulff. Motion carried.

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District(s), Member(s):	All
Policy/Legal Reference:	FM 14-2 Expenditures for the Procurement of Goods, Services, and Real Estate Policy
Staff Prepared/Presented:	Joseph Ward, Assistant Manager Process Engineering, R&D, and Air Quality, 651-602-8302
Division/Department:	MCES, Operational Support Services

Proposed Action

That the Metropolitan Council authorize its Regional Administrator to award and execute contract 24P293 with Hawkins, Inc. to provide bulk caustic at MCES Wastewater Treatment Plants in an amount not to exceed \$2,884,018.

Background

Caustic (sodium hydroxide) is an important chemical used at the Metro and Seneca Wastewater Treatment Plants (WWTPs). The chemical is used in the chemical air scrubbers at the facilities to reduce odors.

An Invitation for Bids was advertised on December 5, 2024. Council staff facilitated a public pre-bid meeting that outlined the solicitation requirements, discussed project specifications, and responded to plan holder inquiries. There were six plan holders, five suppliers, one plan room and one plan holder identified as woman, minority, small, veteran or disadvantaged business enterprises.

Procurement facilitated a public bid opening on February 4, 2025, and received two bids. Bids ranged from \$2,066,742 to \$2,377,750. The low bid was rejected as non-responsive. Hawkins, Inc. was determined to be the low, responsive, responsible bidder and is being recommended for award.

This contract will be for an initial one-year period with an option to extend for four additional one-year periods. The total cost for this service during the term of the contract is dependent on caustic usage in the wastewater treatment processes, which is estimated at approximately 140,000 gallons annually. The not to exceed amount includes the estimated cost for the Council to exercise all additional contract extension options and estimated inflation.

Rationale

The execution of a goods contract exceeding \$500,000 requires Council approval.

Thrive Lens Analysis

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, this action advances the 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 Seneca and Metro operating budgets.

Small Business Inclusion

The Office of Equity and Equal Opportunity (OEEO) thoroughly reviewed this procurement for Metropolitan Council Underutilized Business (MCUB) opportunities in accordance with federal and state laws and regulations as well as contract specifications. Upon conclusion of OEEO's research and analysis, no MCUB goal was set.

