EWEB Board Consent Calendar Request
For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **Eco Services Operations Corporation** for **Liquid Aluminum Sulfate** to be utilized at the EWEB Hayden Bridge Water Filtration Plant.

Board Meeting Date:	May 7, 2024
Project Name/Contract #:	Liquid Aluminum Sulfate / 24-001-G
Manager:	Mike Masters Ext. 7549
Executive Officer:	Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount:	$800,000
Additional $ Previously Approved:	$0
Spend over last approval:	$0
Amount this Request:	$800,000
% Increase over last approval:	NA
Resulting Cumulative Total:	**$800,000 (over 5 years)**

Contracting Method:

Method of Solicitation:	Direct Negotiation (after survey of market pricing)
If applicable, basis for exemption:	EWEB Rule 6-0230 (Water Filtration Chemicals and Media)
Term of Agreement:	**5-Years (June 6, 2024 – June 30, 2029)**
Option to Renew?	No
Approval for purchases *"as needed"*:	Yes☒ No☐
Proposals/Bids Received (Range):	N/A
Selection Basis:	EWEB Rule 6-0230 (Water Filtration Chemicals and Media)

Narrative:

Operational Requirement and Alignment with Strategic Plan
Hayden Bridge Operations require the use of specific chemicals in their mission to provide clean drinking water to the Community. To fulfill this operational requirement, EWEB's Water Filtration Plant relies on a coagulant compound called "Liquid Aluminum Sulfate". Microorganisms such as viruses, bacteria, and protozoa are present in the source waters along with particulate and suspended matter. At low levels, these organisms can cause sickness and disease and are generally very difficult to remove from water. The parasites *Giardia* and *Cryptosporidium* are very resistant to most types of disinfection, including chlorination. Water treatment with liquid aluminum sulfate is, however, effective at removing the parasites and suspended matter when used in a chemical treatment process called coagulation.

Contracted Goods or Services
Liquid Aluminum sulfate is a chemical compound that is soluble in water and used as a coagulating agent (promoting neutralizing charges to remove suspended solids and particulates) in the purification of drinking water. This chemical will be purchased on an "as needed" basis. Procurement data shows EWEB usage at approximately 300 dry tons, annually.

<u>Purchasing Process</u>

Purchase of Water Filtration Chemicals is exempt from a competitive bidding process per Board Approved EWEB Purchasing Rule 6-0230 for Water Filtration Chemicals and Media. EWEB negotiated a contract with Eco Services Operations Corporation, based on limited availability of liquid Aluminum Sulfate in the region in the quantities EWEB requires, after surveying the market for pricing from Cascade Columbia Distribution Company, Eco Services Operations Corporation, NorthStar Chemical, and Univar Solutions USA.

<u>Bids Received</u>

Vendor Name	City, State	Offered Price	Ranking
Eco Services Operations Corporation	The Woodlands, Texas	$523 per dry short ton	1
Cascade Columbia Distribution Company	Sherwood, Oregon	$515 per dry short ton + $225 per shipment	2
Univar Solutions USA	Downers Grove, Illinois	$800 per dry short ton	3
NorthStar Chemical	Sherwood, Oregon	Declined Response	4

<u>Prior Contract Activities</u>

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved/Amended Amount to Date (Total)	Reason Code
1008-2019	Price Agreement for Aluminum Sulfate	6/4/2019	6/6/2019 – 6/5/2024	$540,000	$675,000	Price Increase
Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other						

ACTION REQUESTED:

Management requests the Board approve a contract with Eco Services Operations Corporation for liquid aluminum sulfate. Approximately $160,000 was planned for these goods in the 2024 Water Production budget of $11.5 million. Variances will be managed within the budget process and Board policy.