WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: March 18, 2025

DATE: February 27, 2025

TO: Board of County Commissioners

FROM: Dwayne Smith, Division Director, Engineering & Capital Projects Community Services, 775-328-2043, Desmith@washoecounty.gov

THROUGH: Eric Crump, Director, Community Services Dept., 775-328-3625, ecrump@washoecounty.gov

SUBJECT: Recommendation to approve the increase to the existing Olin Chlor Alkali Products (Olin Corp.) purchase order (PO No. 65-2659) for sodium hypochlorite chemicals used in the disinfection process at the Washoe County wastewater reclamation facilities, in the not-to-exceed amount of [$350,000.00] and authorize the Purchasing and Contracts Manager to execute the necessary change order for the continued delivery of chemical through the end of the contract period, June 30, 2025. (All Commission Districts).

SUMMARY

On May 10, 2022, the Board of County Commissioners (Board) awarded a bid for Water and Wastewater Treatment Chemicals to Olin Chlor Alkali Products (Olin Corp.), in the estimated annual amount of [$382,250.00]. This is a contract for chemicals for the treatment of municipal wastewater in various wastewater and recycled water treatment systems operated and maintained by Washoe County Community Services Department (CSD) Utilities Division.

At the time of the contract award, approximately 254,500 gallons of sodium hypochlorite (12.5% solution) annual utilization was projected at $1.63 per gallon for bulk deliveries. Since then, the price has risen to $2.69 per gallon while the volume of chemicals has also increased with more customers connecting to the system.

The adopted FY2025 Budget has accounted for and includes $752,000.00 of chemicals from Olin. However, the Purchasing and Contract Manager (PCM) only has authority to execute a purchase order up to $382,250.00. This Board agenda item seeks approval to authorize PCM to increase the existing purchase order in the amount of $350,000.00 from the current amount of $382,250.00 to cover chemical deliveries through 6/30/2025. This request does not require an increase to the annual budget since it is still below the approved budget $752,000.00. Staff is initiating the next procurement process under the requirements of Washoe County policy and Nevada Revised Statutes to assure the continued delivery of these chemicals necessary for the successful treatment of wastewater at Washoe County's facilities.

AGENDA ITEM # _____

Washoe County Strategic Objective supported by this item:
Fiscal Sustainability: Long-term sustainability.

PREVIOUS ACTION

On May 10, 2022, the Board awarded Bid No. 3175-22 for Water and Wastewater Treatment Chemicals, on behalf of the Community Services Department Utility Services Division and on a requirements basis to Olin Chlor Alkali Products, [in the estimated annual amount of $382,250.00] and to Thatcher Company of Nevada, Inc., [in the estimated annual amount of $21,600.00]; and authorize the Purchasing and Contracts Manager to execute the necessary purchase orders over the award period commencing July 1, 2022 through June 30, 2023, with the provision for two, one-year extensions at the County's option.

On December 18, 2018, the Board approved award of Bid No. 3067-19, for Water and Wastewater Treatment Chemicals on a requirement basis to Olin Chlor Alkali Products in the estimated annual amount of $209,025.00 and to Thatcher Company of Nevada in the amount of $15,700.00. Each award was for a one-year period, with the County retaining the option for two, one-year extensions.

On February 28, 2014, the Board approved award of Bid No. 2881-14, for Water and Wastewater Treatment Chemicals to Sierra Chemical Co, on a requirement basis, in the estimated annual amount of $270,000.00. Each award was for a one (1) year period, with the County retaining the option for two, one-year extensions.

On December 14, 2010, the Board approved an award of Bid No. 2757-11, for Water Treatment Chemicals, to Sierra Chemical Co. on a requirements basis, in the estimated annual amount of $207,000.00. Each award was for a one (1) year period, with the County retaining the option for two, one-year extensions.

BACKGROUND

The Washoe County Utility includes both the sanitary sewer and recycled water business units under the Utility enterprise Fund 566, allowing Washoe County to successfully manage over 28,000 user accounts. Washoe County Community Services Department (CSD) Utilities Division provides operation, maintenance and chemical treatment at the three wastewater treatment plants, one recycled water system with three storage reservoirs, and two booster stations. Treatment chemical is one of the critical components required in the successful operation of the Utility system while meeting State of Nevada and local regulatory requirements.

The County has always gone out to bid and awarded contracts for chemicals with the most recent one in May 2022. At the time of the award, approximately 254,500 gallons of sodium hypochlorite (12.5% solution) annual utilization was projected at $1.63 per gallon for bulk deliveries. Since then, the price has risen to $2.69 per gallon while the volume of chemicals has also increased.

The Purchasing and Contract Manager (PCM) only has authority to execute a Purchase Order (PO) up to $382,250.00. The requested increase to the PO of $350,000.00 is necessary to cover chemical purchases and deliveries through 6/30/2025, and well within

the adopted FY2025 Budget which included a $752,000.00 allotment for chemicals from Olin Corp.

FISCAL IMPACT

Should the Board approved request to add funds to Olin Corporation Purchase Order for treatment chemicals in the amount of $350,000.00, sufficient funds and budget authority exist in FY2025 in the Utilities Fund (566), Sewer Operations (664900) and Reclaimed Water Operations (664500), Chemical supplies (710319). Revenues in support of this expense are provided from monthly utility rate charges.

RECOMMENDATION

It is recommended the Board of County Commissioners approve the increase to the existing Olin Chlor Alkali Products (Olin Corp.) purchase order (PO No. 65-2659) for sodium hypochlorite chemicals used in the disinfection process at the Washoe County wastewater reclamation facilities, in the not-to-exceed amount of [$350,000.00] and authorize the Purchasing and Contracts Manager to execute the necessary change order for the continued delivery of chemical through the end of the contract period, June 30, 2025. (All Commission Districts).

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: "Move to approve the increase to the existing Olin Chlor Alkali Products (Olin Corp.) purchase order (PO No. 65-2659) for sodium hypochlorite chemicals used in the disinfection process at the Washoe County wastewater reclamation facilities, in the not-to-exceed amount of [$350,000.00] and authorize the Purchasing and Contracts Manager to execute the necessary change order for the continued delivery of chemical through the end of the contract period, June 30, 2025."