

AGENDA ITEM REPORT

DATE: March 7, 2023
DEPARTMENT: Utilities
REQUESTER: Pamela Keyes
TITLE: Approve Amendment to Annual Contract for Odor Control and Corrosion Services

I. MOTION REQUESTED

A) Approve Amendment No. 3 for the requested price increase of an average of 24.41%, to Evoqua Water Technologies, LLC, for the annual contract under RFP170384ANB Odor Control & Corrosion Services, through May 13, 2024, for all line items listed in the attached Tab sheet.

B) Grant the County Manager or designee the authority to execute any documents associated with the price increase on behalf of the Board of County Commissioners.

II. ITEM SUMMARY

Approves a price increase requested by Evoqua Water Technologies, LLC, for the renewal of the annual contract to minimize the adverse effects on the County's wastewater infrastructure and address nuisance odors in the system on an as-needed basis through May 13, 2024. Evoqua submitted the required documentation to Procurement Management to substantiate the average 24.41% price increase due to raw material increases, supply chain issues, labor shortages, and increased energy cost. The Producer Price Index (PPI) for Basic Inorganic Chemical Manufacturing, which is the most relevant index comparable to this contract shows an increase of 21.5% for 2022. The total previous twelve month expenditures with Evoqua Water Technologies was \$1,323,644.

III. BACKGROUND AND IMPLICATIONS OF ACTION

A) Board Action and Other History

On May 1, 2018, the Board of County Commissioners awarded RFP170384ANB Odor Control & Corrosion Services, to Evoqua Water Technologies, LLC to minimize the adverse effects on the County's wastewater infrastructure and address nuisance odors in the system on an as-needed basis. The original term of the contract was for an initial period of three years with an option to renew for an additional three one-year periods. LLC,

On June 1, 2021 the Board of County Commissioners approved Amendment No. 1 for an average price increase of 2.8%.

On April 19, 2022, the Board of County Commissioners approved Amendment No. 2 for an average price increase of 11.34%.

Current Board approval will allow for an average price increase of 24.41% to Evoqua Water Technologies through May 13, 2024.

B) Policy Issues

C) BoCC Goals

D) Analysis

These chemicals are utilized for Wastewater Plant treatment processing and reducing sewer odor concerns by lowering Hydrogen Sulfide throughout the Wastewater Collections system. There is an overall average increase of 24.41%, for an approximate annual increase of \$323,101.53, as detailed in the Historical Pricing Summary table.

The price increase is due to raw material increases, supply chain issues, labor shortages, and increased energy cost. The Producer Price Index (PPI) for Basic Inorganic Chemical Manufacturing, which is the most relevant index comparable to this contract shows an increase of 21.5% for 2022. For the 17 chemicals outlined in the Odor Control and Corrosion Services Annual Contract, the calculated increase averaged 24.41%.

E) Options

IV. FINANCIAL INFORMATION

A)	Current year dollar amount of item:	\$323,102
B)	Is this item approved in the current budget?	Yes
C)	Is this a revenue or expense item?	Expense
D)	Is this Discretionary or Mandatory?	Discretionary
E)	Will this item impact future budgets? If yes, please include reasons in III(D) above.	No

F)	Fund: Utilities Operating Program: Utilities Project: Inflow & Infiltration Account Strings: OD5360448700.505240 and any other LCU account strings as needed.	
G)	Fund Type?	Enterprise
H)	Comments: Expenditures will be as needed and within the department's annual adopted budgets.	

V. RECOMMENDATION

Approve

VI. TIMING/IMPLEMENTATION

VII. FOLLOW UP

ATTACHMENTS:

Description	Upload Date	Type
RFP170384ANB - Odor Control & Corrosion Svcs - Evoqua - Am 3 - Prie Increase - VENDOR OCR	2/2/2023	Budget Amendment
Price comparison	2/22/2023	Backup Material

REVIEWERS:

Department	Reviewer	Action	Date
Utilities	Tucker, Mary	Approved	2/22/2023 - 3:39 PM
Utilities	Keyes, Pamela	Approved	2/22/2023 - 4:26 PM
Budget Services	Guttry, Angela	Approved	2/24/2023 - 11:35 AM
Budget Services	Winton, Peter	Approved	2/27/2023 - 9:09 AM
County Attorney	Swindle, Amanda	Approved	2/27/2023 - 9:30 AM
County Manager	Salyer, Glen	Approved	2/28/2023 - 10:04 AM