

AGENDA ITEM REPORT

DATE: April 4, 2023
DEPARTMENT: Utilities
REQUESTER: Pamela Keyes
TITLE: Approve Contract Amendment for Activated Carbon, Absorption/Filtration Services

I. MOTION REQUESTED

A) Approve Amendment No. 2 for the requested price Increase of 17.02%, to Calgon Carbon Corporation, for the annual contract under B190100GWT Granular Activated Carbon (GAC) and Absorption/Filtration Services, through May 6, 2024, for all line items listed in the attached price 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 an amendment to the contract with Calgon Carbon Corporation to add a requested price increase of 17.02% for the supply of Granular Activated Carbon, and the removal and disposal of spent carbon through May 6, 2024. The contract provides for annual adjustments that can be justified by the vendor. Granular activated carbon is used at the Olga Water Treatment Plant to remove tastes and odors prior to distribution to customers. Pricing will be renegotiated or rebid once the market conditions change. The total previous twelve-month spend for granular activated carbon was \$126,258.00.

III. BACKGROUND AND IMPLICATIONS OF ACTION

A) Board Action and Other History

On May 7, 2019, the Board of County Commissioners awarded B190100GWT Granular Activated Carbon and Absorption/Filtration Services to Calgon Carbon Corporation to provide labor, materials, equipment, and supervision for the supply of Granular Activated Carbon, as well as the removal and disposal of spent carbon through May 6, 2024. The original term of the contract was for two years with an option to renew for up to three additional one-year periods.

On February 15, 2022, the Board of County Commissioners approved Amendment No. 1 for a 9.94% price increase.

Current Board approval will allow for a 17.02% price increase for Granular Activated Carbon, as well as the removal and disposal of spent carbon through May 6, 2024.

B) Policy Issues

C) BoCC Goals

D) Analysis

Amendment No. 2 will allow for a 17.02% price increase for Granular Activated Carbon. Vendor cited that they are experiencing escalated costs due to worldwide supply chain challenges, Metallurgical grade bituminous coal for their manufacturing plants, coconut shell char and activated carbon products, labor and energy to operate their facilities, freight to move materials, and raw material components, especially acid. The average overall price increase is estimated to add an additional \$21,489.11 annually, as detailed in the following Historical Pricing Summary table.

Granular Activated Carbon (GAC) and Absorption/Filtration Services - Annual				
Annual Contract B190100GWT Start Date: 5/7/2019				
			Expenditure History	
	DATE	Unit Price Per Pound	5/7/2019-5/6/2022	5/7/2022 - 2/15/2023
Contract Start	5/7/2019	\$ 1.71	\$ -	
Amendment I	5/7/2022	\$ 1.88	\$ -	\$ 126,258.00
Amendment II	5/7/2023	\$ 2.20	\$ -	\$ -
		Total Expenditures:	\$ -	\$ 126,258.00

	Anticipated Additional Expense from Increase	\$ 21,489.11
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E) Options

IV. FINANCIAL INFORMATION

A)	Current year dollar amount of item:	\$21,489
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: Operating Program: Utilities Project: Granular Activated Carbon for the Olga WTP Account Strings: OD5360148700	
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
02 B190100GWT - GAC and Absorption-Filtration Svcs - Calgon Carbon - Am 2 - VENDOR OCR	3/9/2023	Agreement
Signature Authority	3/24/2023	Backup Material
Price comparison	3/24/2023	Backup Material

REVIEWERS:

Department	Reviewer	Action	Date
Utilities	Tucker, Mary	Approved	3/24/2023 - 10:01 AM
Utilities	Keyes, Pamela	Approved	3/24/2023 - 10:11 AM
Budget Services	Henkel, Anne	Approved	3/24/2023 - 11:18 AM
Budget Services	Winton, Peter	Approved	3/27/2023 - 10:06 AM
County Attorney	Swindle, Amanda	Approved	3/27/2023 - 11:33 AM
County Manager	Salyer, Glen	Approved	3/28/2023 - 9:11 AM