



AGENDA ITEM REPORT

DATE: March 15, 2022
DEPARTMENT: Utilities
REQUESTER: Pamela Keyes
TITLE: Approve Contract Amendment for Corrosion/Scale Inhibitor

I. MOTION REQUESTED

- A) Approve Amendment No. 1 with Carus, LLC, under Solicitation No. B210004BAG, Corrosion/Scale Inhibitor - Annual, increasing the price for the purchase of polyphosphate corrosion/scale inhibitor from \$0.48 per pound to \$0.79 per pound.
- B) Authorize 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

Amends the annual contract with Carus, LLC to increase the unit price for the purchase of polyphosphate corrosion/scale inhibitor by sixty-five percent (65%). Carus submitted the required documentation to Procurement Management to substantiate a price increase from \$0.48 per pound to \$0.79 per pound. The price increase is due to supply chain issues, rising cost of imported raw materials, increased demand for phosphorus product in agriculture and industrial markets, and the global transportation crisis affecting delivery of finished goods. Pricing will be renegotiated or rebid once market conditions change. The total previous twelve-month spend for corrosion/scale inhibitor was \$32,450.88.

III. BACKGROUND AND IMPLICATIONS OF ACTION

A) Board Action and Other History

On April 20, 2021, the Board of County Commissioners awarded B210004BAG, Corrosion/Scale Inhibitor - Annual, to Carus, LLC for the purchase and delivery of Corrosion/Scale Inhibitor, on an as-needed basis. The original term of the contract was for three years with an option to renew for three (3) additional, one (1) year periods.

Board approval of this item will allow for a 65% price increase for polyphosphate corrosion/scale inhibitor used at Olga and Corkscrew Water Treatment Plants. The price increase is due to supply chain issues, rising cost of imported raw materials, increase demand for phosphorus product in agriculture and industrial markets, and the global transportation crisis affecting delivery of finished goods. Pricing will be renegotiated or rebid once market conditions change. Corrosion/Scale Inhibitor is used at the Corkscrew and Olga Treatment Facilities as an additive to control the corrosiveness of the finished water prior to distribution.

B) Policy Issues

C) BoCC Goals

D) Analysis

E) Options

IV. FINANCIAL INFORMATION

A)	Current year dollar amount of item:	See Comments below.
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: Corrosion/Scale Inhibitor Account Strings: OD5360148700 OD5361848700	
G)	Fund Type?	Enterprise
H)	Comments: Expenditures will be on an as-needed basis and within the department's annual adopted budget.	

V. RECOMMENDATION
Approve

VI. TIMING/IMPLEMENTATION

VII. FOLLOW UP

ATTACHMENTS:

Description	Upload Date	Type
B210004BAG - Corrosion-Scale Inhibitor for WTP - Carus - Am 1 - Price Increase - VENDOR OCR	2/21/2022	Agreement

REVIEWERS:

Department	Reviewer	Action	Date
Utilities	Tucker, Mary	Approved	3/2/2022 - 11:25 AM
Utilities	Keyes, Pamela	Approved	3/2/2022 - 12:35 PM
Budget Services	Guttery, Angela	Approved	3/4/2022 - 1:19 PM
Budget Services	Winton, Peter	Approved	3/4/2022 - 3:46 PM
County Attorney	Swindle, Amanda	Approved	3/7/2022 - 8:43 AM
County Manager	Salyer, Glen	Approved	3/7/2022 - 11:48 AM