



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** July 7, 2022

Staff Contact: Carol Akers, Purchasing & Contracts Administrator and Darren Schulz, Public Works Director

Agenda Title: For Possible Action: Discussion and possible action regarding authorization to purchase Celatom FW12 diatomaceous earth filter media for municipal water treatment from EP Minerals, LLC (“EPM”) for a not to exceed annual amount of \$90,000 through Fiscal Year (“FY”) 2023. (Carol Akers, cakers@carson.org and Eddy Quaglieri, equaglieri@carson.org)

Staff Summary: The Water Division of Carson City’s Public Works Department anticipates the use of approximately 160 tons of diatomaceous earth filter media annually to treat municipal water. EPM is the only known local supplier that can reliably provide the quantity and quality of diatomaceous earth needed for municipal water treatment.

Agenda Action: Formal Action / Motion **Time Requested:** Consent

Proposed Motion

I move to approve the purchase authority as requested.

Board's Strategic Goal

Efficient Government

Previous Action

June 17, 2021 – The Board of Supervisors approved \$90,000 in purchase authority for Celatom FW12 diatomaceous earth from EPM, as a sole-source vendor.

Background/Issues & Analysis

Diatomaceous earth is the solid filter media for treating all surface waters at the Quill Water Treatment Plant. It is a porous powder material which coats the pressure vessel’s stainless steel mesh screens which in turn captures all the contaminants, viruses and protozoa providing high quality drinking water. The Quill Water Treatment Plant is designed to rely on diatomaceous earth for the treatment of surface waters.

For FY 2022, EPM provided Celatom FW12 diatomaceous earth to the City for \$562.80 per ton, including delivery.

For FY 2023, EPM's pricing for Celatom FW12 diatomaceous earth is as follows:

| Time Period | City Arranges Delivery | EPM Delivers to City |
|--------------------------------------|------------------------|----------------------|
| July 1, 2022 – October 31, 2022 | N/A | \$562.80 per ton |
| November 1, 2022 – December 15, 2022 | \$559.76 per ton | \$621.76 per ton |
| December 16, 2022 – April 30, 2023 | \$559.76 per ton | Unknown |
| May 1, 2023 – June 30, 2023 | Unknown | Unknown |

EPM will provide pricing information every six months.

This is an annual request. The purchase amount exceeds \$50,000; therefore, City policy requires approval by the Board of Supervisors.

Applicable Statute, Code, Policy, Rule or Regulation

NRS 332.115(1)(a)

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: Water Fund Chemicals account 5203502-500637

Is it currently budgeted? Yes

Explanation of Fiscal Impact: If approved, account 5203502-500637 will be decreased annually by \$90,000, the available budget for FY 2023 is \$124,964.

Alternatives

Do not approve purchase authority and/or provide alternative direction to staff.

Attachments:

[EP Minerals Sole Source letter 2022.pdf](#)

[Quote though 10-31-22.pdf](#)

[Quote through 4-30-23.pdf](#)

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)

June 16, 2022

Via Email

Attn: Edmund Quaglieri
Utility Manager
Carson City Public Works
3505 Butti Way
Carson City, NV 89701

Subject: Sole Source Letter

This letter will confirm that EP Minerals, a US Silica Company is the sole source provider of Celatom[®] FW12 Diatomaceous Earth filter powder for use in municipal potable water filtration systems. We appreciate your continued support of EP Minerals, A US Silica Company.

Sincerely,

Natalie Schanze

Natalie Schanze
National Distribution Manager, Filtration and Performance Materials
EP Minerals, a U.S. Silica Company

May 25, 2021

Edmund Quaglieri
Water Utility Manager
Carson City Public Works
3505 Butti Way
Carson City, Nv. 8970
775-283-7356

Re: Carson City Water Utility Contract, Water Treatment Plant Filter Media

Mr. Quaglieri,

EP Minerals would like to extend the following pricing for the Carson City Water Utility, Water Treatment Plant Filter Media Requirements.

Product: Celatom[®] FW12, 50 lb bags
Packaging: 39 bags/pallet
Freight mode: Flat Bed
Unit price: \$14.07/bag, delivered
Price Per Ton (39 bags/pallet): \$562.80/short ton delivered
Fuel Surcharges: Separate line item to the buyers account
Payment Terms: Net 30 days
Delivery Terms: Delivered
Pricing is effective November 1, 2021 through October 31, 2022

We look forward to continued service to the Carson City Water Treatment facility.

Sincerely,

Frank Arpa
EP Minerals, A US Silica Company
9785 Gateway Drive
Reno, NV 89521
775-622-6384

June 14, 2022

Carson City Public Works
 3505 Butti Way
 Carson City, NV 89701
 Attn: Eddy Quaglieri

RE: EP Minerals Prices: November 1, 2022- April 30, 2023

Dear Eddy:

Please find below pricing for your needs. Due to logistics instability, the freight portion is only valid from today until December 15, 2022. We would need to be able to update freight costs after that time. If you have any questions, let me know as I will be your contact for ordering moving forward.

| Product Name | Product weight | Packaging info | Mode of Transportation | Price per ton FOB | Price per unit FOB |
|---------------------|-----------------------|-----------------------|-------------------------------|--|---|
| Celatom FW12 | 50 lb. | 39 bags per pallet | Flat Bed OTR | \$ 559.76 | \$13.79 |
| Product Name | Product weight | Packaging info | Mode of Transportation | Price/ton delivered until 12/15/22 only | Price per unit Delivered until 12/15/22 only |
| Celatom FW12 | 50 lb. | 39 bags per pallet | Flat Bed OTR | \$621.76 | \$15.54 |

Pricing includes pallets and stretch wrap.

Supply Chain Security/Leadtime: Two perlite plants provide flexibility and supply chain security. All sites produce packaged goods and bulk (rail and truck). Understanding your forecast and keeping inventory on hand can reduce the typical lead time of weeks down to days.

Logistics: An in-house logistics team can arrange deliveries to suit your needs. They coordinate enclosed or flatbed OTR, intermodal, bulk rail, or bulk truck to ensure on-time delivery.

Service: We partner with our customers to create a delivery schedule based on past usage. Open communication with myself and our customer service team before and during crush is key to exceeding expectations.

Technical Service and R&D Capabilities: The technical team has over 30 years of filtration experience and can help reduce costs by conducting filtration audits with detailed reports with suggestions on process improvements. Moreover, the full R&D lab in the Reno, NV office helps provide solutions for customers.

I look forward to providing you with best in class service. Please feel free to call or email me with any questions, 775-750-9793 or Natalie.schanze@ussilica.com.

All the Best,

Natalie Schanze

Natalie Schanze
 Filtration and Performance Materials