



STAFF REPORT

Report To: Board of Supervisors

Meeting Date: May 4, 2023

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

Agenda Title: For Possible Action: Discussion and possible action regarding a proposed \$145,000 increase in the Fiscal Year ("FY") 2023 purchase authority, beyond the previously approved \$469,000, for the purchase of Sodium Hypochlorite ("Bleach") utilizing joinder contract 212528 ("Joinder Contract") between the City of Tucson ("Tucson") and Thatcher Company of Arizona, Inc. ("Thatcher"), resulting in a new not to exceed amount of \$614,000 through June 30, 2023. (Carol Akers, cakers@carson.org and Andy Hummel, ahummel@carson.org)

Staff Summary: If approved, the \$145,000 increase in purchase authority will be used to purchase Bleach, which is an important chemical for water treatment and disinfection at the City's water, wastewater and aquatic facilities. The increased purchase authority would be sufficient for the remainder of FY 2023.

Agenda Action: Formal Action / Motion

Time Requested: Consent

Proposed Motion

I move to approve the increase in purchase authority.

Board's Strategic Goal

Efficient Government

Previous Action

September 15, 2022 (Item 11E) – The Board of Supervisors ("Board") approved a \$309,000 increase in authority to purchase Bleach during FY 2023 through the Joinder Contract, resulting in a new not to exceed amount of \$469,000 for FY 2023.

July 7, 2022 (Item 9F) – The Board approved \$160,000 in authority to purchase Bleach through September 30, 2023, utilizing the Joinder Contract.

Background/Issues & Analysis

Over the past 24 months, Bleach prices have nearly doubled due to inflation and market shortages. Last fall, staff investigated other Bleach suppliers and Bleach prices paid by other agencies. That investigation showed that the current Joinder Contract pricing for bulk Bleach is better than the City can expect to receive through other procurement methods.

The current pricing under the Joinder Contract for bulk Bleach is \$2.48 per gallon, delivered. This price is guaranteed through the end of June of 2023, with price increases allowed every six months. Local agencies not utilizing a joinder contract are currently spending approximately \$4.00 per gallon, delivered.

In addition to favorable pricing, Thatcher has been able to reliably perform under the Joinder Contract. City staff was able to locate one alternative Bleach supplier in the local area; however, that supplier was not able and willing to commit to reliable delivery over the course of FY 2023, which is a crucial City requirement for the operation of its water and wastewater facilities.

In addition to product price increases, wastewater inflows to the Water Resource Recovery Facility have increased since January due to the record snowfall received, creating higher seasonal infiltration to the wastewater collection system. Inflows have increased by approximately 20%, which has resulted in increased Bleach usage to ensure adequate disinfection of treated wastewater.

Joinder contract being utilized:
Joinder Contract between Tucson and Thatcher
Expires September 30, 2023, with two remaining renewal options, for one year each
<https://www.omniapartners.com/publicsector/suppliers/thatcher-chemicals/contract-documentation#c39074>

Applicable Statute, Code, Policy, Rule or Regulation

NRS 332.195

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: Wastewater Fund Chemicals Account 5103201-500637
Water Fund Chemicals Account 5203502-500637
Parks General Fund Chemicals Account 1015055-500637

Is it currently budgeted? Yes

Explanation of Fiscal Impact: If approved, the increased purchase authority of \$145,000 for FY 2023 will come out of the Accounts listed:

Wastewater Chemicals Account 5103201-500637 for \$125,000; FY 2023 available budget is \$130,000.
Water Chemicals Account 5203502-500637 for \$10,000; FY 2023 available budget is \$12,000.
Parks General Fund Chemicals Account 1015055-500637 for \$10,000; FY 2023 available budget is \$14,700.

Alternatives

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

Attachments:

Board Action Taken:

Motion: _____	1) _____	Aye/Nay
	2) _____	_____

(Vote Recorded By)

