



TO: Board of Contracts and Awards
FROM: Michael P. Slevin III, P.E., Director, Environmental Services
Hugh Messer, Division Manager, Operations and Maintenance
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator,
Samol Hefley, Finance/Purchasing, and Stuart Magoon, Operations Assistant
Division Manager
SUBJECT: Liquid Oxygen for the Central Wastewater Treatment Plant - Request for Bids
Specification No. WQ18-0371F – April 2, 2019
DATE: March 19, 2019

M.P.S. →

RECOMMENDATION SUMMARY:

The Environmental Services, Operations and Maintenance Division, recommends a contract be awarded to Praxair, Inc., Burr Ridge, IL, in the amount of \$95,732, plus applicable taxes, budgeted from the ES Wastewater Fund 4300, for an initial one-year term, with the option to renew for four additional one-year terms, for a projected contract total of \$478,660, for liquid oxygen used in the treatment of wastewater at the Central Wastewater Treatment Plant.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.

Discharging wastewater effluent, with high levels of suspended organic material, has a negative effect on the health of the Puget Sound. Introducing high-purity oxygen into the treatment process, through the use of liquid oxygen, improves the efficiency in which microorganisms break down suspended organic materials, effectively mitigating the negative environmental impact.

BACKGROUND:

ISSUE: The City of Tacoma's National Pollutant Discharge Elimination System (NPDES) Wastewater Permit limits the amount of suspended organic material tolerable to be released into the Puget Sound from the Central Wastewater Treatment Plant. To comply with permit regulations, high levels of pure oxygen, derived from liquid oxygen, are introduced into wastewater during the treatment process. This common practice, known as high-purity oxygen aeration, speeds up the biological processes required to break down the suspended organic material from wastewater. This contract will assure that the City discharges wastewater effluent that continues to contribute to healthy neighborhoods and a thriving Puget Sound.

ALTERNATIVES: An alternative to awarding this contract is to reject all bids and re-bid; however, delaying this process/purchase may put the City at risk for violating its NPDES Wastewater Permit.



COMPETITIVE SOLICITATION:

Request for Bids Specification No. WQ18-0371F was opened on October 23, 2018. Four companies were invited to bid in addition to normal advertising of the project. Two submittals were received with Praxair, Inc. submitting the lowest bid. The table below reflects the amount of the total award:

<u>Respondent</u>	<u>Location</u>	<u>Submittal Amount</u>
Praxair, Inc.	Burr Ridge, IL	\$95,732.00
Air Products and Chemicals, Inc.	Allentown, PA	\$96,928.00

Pre-bid Estimate: \$111,800.00

The recommended award is 14.3 percent below the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: The City of Tacoma’s Central Wastewater Treatment Plant NPDES Wastewater Permit requires the removal of suspended organic material from wastewater, during the treatment process, before discharging effluent into the Puget Sound.

Praxair, Inc. is a producer and supplier of process gases that support their mission of making the planet more productive. They are committed to improving not only their own, but their customers’ environmental impact. This is achieved through the development and implementation of products, technologies and services that improve environmental performance and minimize environmental resource intensity.

SBE/LEAP COMPLIANCE: Participation in the City’s Small Business Enterprise (SBE) program was encouraged and five additional points were awarded in the evaluation process for those who included the SBE form in their submittal. The recommended supplier, Praxair, Inc., is SBE program participant.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Wastewater Fund 4300	525100	5216070	\$478,660
TOTAL			\$478,660

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Wastewater Fund 4300	523900	4343150	\$478,660
TOTAL			\$478,660

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$191,464

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes.

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A
Funding beyond the current biennium is subject to future availability of funds.