# Great Lakes Water Authority

## Legislation Details (With Text)

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| **File #:** | 2024-085 | **Version:** 1 | **Name:** | |
| **Type:** | Resolution | | **Status:** | Passed |
| **File created:** | 2/28/2024 | | **In control:** | Board of Directors |
| **On agenda:** | 3/21/2024 | | **Final action:** | 3/21/2024 |
| **Title:** | Contract No. 2304915 Ferric Chloride O&M | | | |
| **Sponsors:** | Navid Mehram | | | |
| **Indexes:** | Wastewater Operations | | | |
| **Code sections:** | | | | |
| **Attachments:** | 1. 2304915 Procurement Board Report-RFB | | | |

| Date | Ver. | Action By | Action | Result |
|---|---|---|---|---|
| 3/21/2024 | 1 | Board of Directors | Approved | Pass |
| 3/13/2024 | 1 | Operations and Resources Committee | Recommended for Approval | Pass |

**Contract No. 2304915**
**Ferric Chloride**
**O&M**

Agenda of: March 21, 2024
Item No.: **2024-085**
Amount: $5,084,700.00
**TO:** The Honorable
Board of Directors
Great Lakes Water Authority

**FROM:** Suzanne R. Coffey, P.E.
Chief Executive Officer
Great Lakes Water Authority

**DATE:** February 28, 2024

**RE:** **Contract No. 2304915**
**Ferric Chloride**
**Vendor: Kemira Water Solutions**

## MOTION

Upon recommendation of Navid Mehram, Chief Operating Officer - Wastewater Operating Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. 2304915, "Ferric Chloride" with Kemira Water Solutions, at a total cost not to exceed $5,084,700.00 for a duration of  one (1) year;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

## BACKGROUND

The Water Resource Recovery Facility (WRRF) at GLWA is required to remove phosphorus to meet effluent limits required in the plant's National Pollutant Discharge Elimination System (NPDES) permit.  The primary method for removing phosphorus at the WRRF is by adding iron salts (ferric chloride) to the wastewater stream which reacts with the phosphorus and precipitates out of the flow stream. Phosphorus removal is desired to reduce the impact of higher nutrient loadings (eutrophication) on the receiving waters. Eutrophication is a cause of the seasonal cyanobacterial blooms (harmful algae blooms) in the receiving water body.

## JUSTIFICATION

The WRRF is required to remove phosphorus to meet effluent limits required in the WRRF's NPDES permit. Ferric chloride is an essential chemical necessary for treatment of phosphorus at the WRRF to ensure compliance with its permit. The usage of the chemical is weather dependent and exact usage is difficult to predict.

## FINANCIAL PLAN IMPACT

**Summary:**  The use of Ferric Chloride is anticipated as an on-going component of the wastewater financial plan. The maximum value of the contract exceeds the current financial plan for this chemical. Should this contract be exercised beyond the forecasted quantity, a budget amendment may be needed.  First, offsetting other chemical treatment costs that may be reduced, then from other areas, and finally from the unallocated reserve.

Pricing for chemicals continues to be very volatile. The demand and availability of this and other chemicals may create additional demand by the organization which will affect the budget evaluation.

**Funding Source:** Operations and Maintenance (O&M) Budget (5960 - Sewer)

**Cost Center:**  Wastewater Primary Processing (Cost Center 892223)

**Expense Type:** Operating Supplies - Chemicals (621600)

**Estimated Cost by Year and Related Forecast Variance:**  See table below.

| Fiscal Year | Amount |
| --- | --- |

| | |
|---|---|
| FY 2024 Amended Budget (Prorated) | $156,033.00 |
| FY 2025 Financial Plan (Prorated) | 4,801,500.00 |
| Financial Plan Forecast | $4,957,533.00 |
| Maximum Contract | 5,084,700.00 |
| Forecast Variance ((Negative) Positive) | ($127,167.00) |

## COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on March 13, 2024. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

## SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.