

**BAY AREA CHEMICAL CONSORTIUM (BACC)
FY 2019-2020 BID (APRIL 2, 2019 BID OPENING)**

DRAFT MINUTES OF THE WRAP-UP MEETING

Tuesday, September 24, 2019

Time: 2:00 PM – 3:00 PM

Dublin San Ramon Services District - Regional Wastewater Treatment Facility, Building A
7399 Johnson Drive, Pleasanton, CA (925) 846-4565

Hosted by DSRSD Webex

Meeting link: <https://dublinsanramonservicesdistrict.my.webex.com/dublinsanramonservicesdistrict.my/j.php?MTID=m77a50ac050e4a9870ce0dc096196208d>

Meeting number: 623 000 802 Password: pWJxuXPg Host key: 126457

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You can also dial 173.243.2.68 and enter the meeting number.

Join by phone

+1-510-338-9438 USA Toll

Access code: 623 000 802

ATTENDEES: Thomas Spankowski (ACWD), Skip Calvo (USD), Audrey Villanueva (USD), Danny Webber (City of Dublin), Stephanie Mein (City of Dublin), Jacky Wong (CSMA), Ed Heuer (City of Pleasanton), Todd Yamello (City of Pleasanton), George Pavlov (City of Martinez), Jimmie Truesdell (City of Livermore), Lorrie O'Neill (BACWA), Dave Williams (BACWA), Levi Fuller (DSRSD), Jeff Carson (DSRSD), Gemma Lathi (DSRSD), and MeganBucci (DSRSD) - Scribe

PHONE PARTICIPANTS: See list

The meeting was called to order at 2:00 PM

1. Introductions

- Each of the participants (in person and on phone) introduced themselves. Jeff Carson welcomed the attendees and the telephone participants to the meeting.

2. Welcome new BACC Members

- a) Jeff welcomed new BACC Members: Sonoma County & Oakwood Lake Water District
- b) Jeff listed the new agencies interested to join next year: City of Watsonville, County of Sacramento, Turlock Irrigation District, and City of San Jose.
 - Mike d'Arcy (City of San Jose – Santa Clara WPCP) asked if it was a different City of San Jose as they have participated many years now, Gemma (DSRSD) responded that it was a different department and she will forward the contact to Mike.
 - Aaron Roberts (County of Sacramento) from the water department said that their sewer department may try to join as well.

3. Summary of FY 2019-2020 bid

- a) Number of chemical bids: 13
- b) Number of agency participants: 61
- c) Agency-Chemical bid combination: 195
- d) Total cost: \$35,685
- e) Participation fee: \$183 per bid

- Jeff Carson stated that to-date DSRSD has saved over \$1M, other agencies have seen similar savings and just goes to show the importance of this program.
4. Discussion of FY 2019-2020 chemical bidding: what worked, what didn't work so well, and what should be do differently next year?
- a) Will not be adding any new chemical but will consider if there are at least 5 agencies interested. Dropped this year: Hydrogen Peroxide – 2 agencies, Sulfur Dioxide – 1.
 - Gemma stated that we will continue with the current practice that BACC will bid chemicals if there are at least five agencies participating.
 - Jeff Carson added that some utilities use hydrogen peroxide in their system for odor control at pump stations.
 - b) Schedule bid opening on a Thursday so that the addendum deadline of “72-hour before bid opening” falls on a Monday, which gives bidders enough time to make adjustments to their bid submittals if they need to.
 - Gemma said that past practice was the reason for having the bid openings on a Tuesday, however, a couple of bidders have asked for a Thursday bid opening to enable them to make changes to the bid and have time to resubmit in the event of an addendum.
 - c) Sodium hydroxide: unit bid price should be in dry lb (how much sodium hydroxide dry concentration on the mixture is what we want to pay for); so agencies should give estimated annual quantities in dry lb as well (not in gallons, although deliveries are in gallons).
 - Gemma said this chemical has always been bid in dry lb but last year it was bid in gallons because that is how some agencies were submitting their estimated quantities; some agencies have expressed a desire to go back to dry lb because that is what we want to pay for. Even though the chemical is delivered in gallons we want the bid price to be in dry lbs. Gemma surveyed the attendees to confirm switching back to bidding this chemical in dry lbs (no objections). Dave Williams (BACWA) asked why it changed, Gemma responded because estimated quantities were in gallons. Gemma also said that if we are going to bid in dry lbs then agencies need to send their estimated quantities in dry lbs. Agencies can put gallons in the annual delivery requirements but make sure it matches the annual estimated quantity in dry lbs when converted. Potential bidders do their job and check the math and they will ask us to correct the numbers if they do not match.
 - d) Ferrrous Chloride Force Majeure (Section 8) deviation by California Water Technologies that caused their bid (lowest) to be rejected; bid awarded to second lowest bidder Kemira.
 - e) Gemma gave a recap of what happened. California Water Technologies (CWT) bid was rejected because they did not want to guarantee their price per their deviation stating that they could only offer the bid price if their raw supplier pricing stayed the same, if the price from the supplier increased, the bid price would change as well. Gemma stated that the purpose of the contract is to provide assurances that the price will not change and the deviation they wanted to impose would defeat those objectives. CWT understood the reason their bid was rejected. The bid was awarded to the second lowest bidder, Kemira. This was the first time the lowest bid has been rejected. Someone asked if there was any indication that CWT is going to take that stance for future bids, Gemma responded that it was unknown.
 - f) If agency does not respond, it will be dropped. BAAC Coordinator will NOT assume that the non-responsive agency is participating and everything (delivery details, quantities, contacts) is “same as last year.”
 - Gemma reiterated that agencies need to respond. City of Pleasanton was dropped because no one responded due to internal staffing changes. BACC coordinator will make best effort to reach out to non-responsive agencies, but with the big number of agencies participating now which equates to deluge of emails and information to manage, it becomes challenging.
 - If the agency is not listed as a participant in the bid documents, the awarded vendor will not extend the bid price and the agency will have to negotiate separately outside of BACC.
5. BID language changes for next year
- Gemma said she doesn't expect any bid language changes. A lot of the issues have been straightened out but let her know if you have any questions.

6. Issues with chemical vendors awarded bid for FY 2019/2020
 - a) Solvay – fluoride delivery issues: Per CCWD, Solvay keeps pushing delivery dates and created an internal crisis as they run close to losing fluoride treatment.
 - CCWD gave an update and said that Solvay finally delivered before the agency had to go the second lowest bidder. CCWD has it in the contract that the vendor has to make the delivery within three days of the order being placed but Solvay kept pushing it back to almost a week, somehow they made it happen. There was some discussion about how they got Solvay to deliver since another agency is having the same problem. Only happened once, deliveries are back to normal. Gemma will give Ed Heuer (City of Pleasanton consultant) the CCWD contact information so they can discuss offline.
 - Dave Williams (BACWA) asked if agencies enter into separate contracts outside of the BACC contract, Gemma confirmed that is the process in place as per the BACC bid document.
 - Thomas Spankowski (ACWD) said they had a little issue with Solvay as well, their contract has a seven-day delivery window but they wanted two week notice, which is not possible. They spoke with VP of Sales & Marketing, Mark Looney and got it resolved.
 - Gemma stated that there is a section in the bid documents that lists the award criteria and one of them is based on prior performance history with a vendor, so agencies should track these issues and bring them up during bid evaluation. (*Section 2.16 Method of Award, item “e. Bidder’s reputation, competency, and previous customer record.”*)
 - Thomas Spankowski (ACWD) asked about any issues with hypo. They have been having some problems with the delivery (driver not wearing PPE), drivers not having proper connections. Levi Fuller (DSRSD) said that vendors typically like to come out and do a site visit. Univar is usually the most reliable/stable vendor but there have been some company changes that might be the cause of the recent problems.
 - Gemma said that it is important for agencies to specify in the delivery details section what their delivery requirements are. If agencies have certain communication requirements, those should be noted as well.
 - b) Olin Chlor class action lawsuit on caustic soda price-fixing and debarment per Woodland-Davis Clean Water Agency
 - Babette Owens (City of Roseville) provided an update, the class action lawsuit is huge, a lot of vendors are involved but it is business as usual until a judgement is issued. Not much to be done until the lawsuit plays out.
 - Someone asked about the debarment but it was a long time ago (years) and is not really a factor now.

7. Next bid FY 2020-2021:
 - a) DSRSD will transition its role as the BACC coordinator to Bay Area Consortium of Water Agencies (BACWA).
 - Jeff gave thanks to the BACC facilitators over the years (Dan Gallagher, Louanne Ivy, Levi Fuller, Gemma Lathi). He thanked Jackie Zipkin (EBDA for facilitating the meeting with protentional BACWA takeover of the program. Jeff continued, stating this program will transfer to BACWA, DSRSD will continue to provide support during the transition.
 - b) BACWA Introduction
 - Dave Williams, Executive Director introduced himself and provided some information about the agency. BACWA will assume responsibility of the program, DSRSD will still be heavily involved during the transition. Gemma (DSRSD) and Lorrie (BACWA) will work side by side.

8. Proposed schedule for FY2020-2021 bid:
 - a) Survey members to determine who wants to bid what chemicals – late Oct 2019
 - b) Review of proposed changes to front-end documents – Nov & Dec 2019
 - c) Work on finalizing bid documents – Jan 2020
 - d) Draft bid documents prepared and submitted to members for review – Feb 2020
 - e) Bid documents finished and advertised for bidding – Thursday, March 5, 2020
 - f) Bid opening – Thursday, April 2, 2020

- g) Bid recommendations completed and circulated – Thursday, May 7, 2020
- h) Annual wrap-up meeting – August/September 2020

9. Adjourn

Meeting adjourned at approximately 2:40 PM

Gemma sent a follow-up e-mail after the meeting asking those who phoned-in to let her know so that she can acknowledge them in the minutes as it was difficult to keep track of everyone on the phone.

Phone-in Participants: (this list may not be complete; only includes those who have e-mailed Gemma and the ones Gemma heard and captured during the meeting):

Alameda County Water District: Renee Gonzalez
City of Millbrae: Harry Kwong
City of Sacramento: Stacy Larkin
City of San Leandro: Justin Jenson
City of San Mateo: Michael Sutter
City of South San Francisco – San Bruno Water Quality Control Plant: Nicholas Talbot
City of Stockton: Kathryn Garcia
City of Watsonville: Mike Wagner
Contra Costa Water District: Nicole Quesada
Diablo Water District: Nacho Mendoza
El Dorado Irrigation District: Ryan Deakyne, Tony Pasquarello, Christine St. Lawrence
Ironhouse Sanitary District: Chris Christean
Modesto Irrigation District: Salena Brennan-Estrada, Jessica Stillwell
North Marin Water District: Robert Clark
Pleasant Hill Recreation and Park District: Korey Riley
San Jose-Santa Clara Regional Wastewater Facility: Mike D’Arcy
Sonoma County: Brenda Haas
Valley Water (Santa Clara Valley Water District): Kerry Lapallo