

# CITY OF TARPON SPRINGS, FL

## Procurement Services

324 East Pine Street  
P.O. Box 5004  
Tarpon Springs, Florida 34688-5004  
(727) 942-5615  
Fax (727) 937-1766

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### MEMORANDUM

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**TO:** Honorable Mayor and Board of Commissioners  
**THRU:** Janina Lewis, CPPO, NIGP-CPP, Procurement Services Director *AL*  
**FROM:** Anela Saday, CPPB, NIGP-CPP, Senior Procurement Analyst *AS*  
**DATE:** 05/23/2023  
**SUBJECT:** Increase File No. 220136-N-AS, Single Source Purchase of Sulfuric Acid

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### RECOMMENDATION:

Increase File No. 220136-N-AS, Single Source Purchase of Sulfuric Acid, with Shrieve Chemical Company, LLC (Shrieve Chemical) in an estimated annual amount not to exceed \$121,500, an increase of \$26,500, through June 23, 2023, for the Public Services Department - Reverse Osmosis Water Treatment Facility (ROWTF).

### BACKGROUND:

On June 14, 2022, the BOC awarded the subject Contract. During FY 22-23, the increased public demand for water resources resulted in an increase of water production and chemical usage at the ROWTF (see attached memo).

The purpose of this contract is to provide an ongoing and as needed supply of sulfuric acid, which is essential for optimizing the pH of raw water so that membranes perform at their peak and are protected from blockage. Approval of this increase request will cover estimated expenditures through the remainder of the contract term until a new contract is awarded. This chemical meets the National Sanitation Foundation (NSF) certification requirements and is necessary for reverse osmosis water production.

**FUNDING:** 402-4305-536-5200 – RO Water Treatment FY 2023 Budget

Accepted by: \_\_\_\_\_  
City Manager


Attest: \_\_\_\_\_  
City Clerk



Paul Smith  
Public Services Director

## Public Services Department

### Memorandum

**Date:** May 16, 2023  
**To:** Janina Lewis, Procurement Services Director  
**Through:** Paul Smith, Public Services Director  
R. Thomas Kiger, Public Services Assistant Director   
**From:** Raymond Page, Utilities Superintendent  
**Subject:** Authorize a Funding Increase for Blanket Purchase Order #220652 for Sulfuric Acid with Shrieve Chemical Company LLC for the RO Facility

#### **Recommendation**

Authorize an annual increase from \$95,000 to \$121,500.00 for Blanket Purchase Order #220652 for sulfuric acid with Shrieve Chemical Company LLC.

#### **Background**

The City contracts sulfuric acid purchases with Shrieve Chemical Company LLC, under contract 220136-N-AS. This contract was single source and awarded on June 24, 2022 for a one-year term. The current contract is on file with Procurement services.

Sulfuric acid is used in the Reverse Osmosis water treatment process to adjust the pH of raw water so that RO membranes perform at their peak and are protected from blockage. Sulfuric acid is commonly used in a variety of municipal water treatment applications and is a necessary commodity to produce potable drinking water at the City's water plant. This chemical meets the National Sanitation Foundation (NSF) certification requirements for use with drinking water.

This spending authorization increase is necessary due to increased unit costs for this commodity, as well as a year over year increase in total water production at the RO treatment plant. The unit pricing for sulfuric acid was \$1.22 per gallon in 2021 and increased to a peak in the summer of 2022 to \$2.90 per gallon. The pricing on this commodity is adjusted quarterly by contract condition and has since stabilized around \$2.03 per gallon. Variation in pricing over the year has resulted in a 65% increase in chemical procurement costs year over year. RO water production is also up 9% year over year, and increased water demand by customers contributed to this increase in production costs. This spending authorization will enable the continued purchase of sulfuric acid through the end of the annual spending authorization to meet the City water demands. The following year contract estimate will be updated to reflect projected demand and best estimates of pricing trends.

#### **Funding**

Water and Sewer enterprise fund Water Treatment account 402-4305-536.5200, FY 2023 Fiscal Budget.



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### MEMORANDUM

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**TO:** Honorable Mayor and Board of Commissioners  
**THRU:** Janina Lewis, CPPO, NIGP-CPP, Procurement Services Director *JK*  
**FROM:** Anela Saday, CPPB, Senior Procurement Analyst *AS*  
**DATE:** 06/14/2022  
**SUBJECT:** Award File No. 220136-N-AS, Single Source Purchase of Sulfuric Acid

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### RECOMMENDATION:

Award File No. 220136-N-AS, Single Source Purchase of Sulfuric Acid to Shrieve Chemical Company, LLC (Shrieve Chemical) in an estimated not to exceed annual amount of \$95,000.00, for the period of June 24, 2022 through June 23, 2023, for the Public Services Department, Reverse Osmosis Water Facility (ROWF). Purchase Orders will only be issued against approved budgets.

### BACKGROUND:

A Notice of Intent to Single Source (File No. 220136-N-AS) was properly posted on DemandStar.com and no objections were received. The offer submitted by Shrieve Chemical meets the required specifications and National Sanitation Foundation certification requirement. Offered pricing was deemed fair and reasonable based on related cost indexes concerning fluctuations in the Green Market index for sulfur products, current transportation costs, and historical pricing for quantities ordered.

The purpose of this contract is to provide an ongoing and as needed supply of sulfuric acid, which is essential for optimizing the pH of the raw water so that membranes perform at their peak and are protected from blockage (see attached memo).

**FUNDING:** 402-4305-536-5200/Water Treatment

Accepted by: \_\_\_\_\_

*[Signature]*  
City Manager

Attest: \_\_\_\_\_

*[Signature]*  
City Clerk



Paul Smith  
Public Services Director

## Public Services Department

### Memorandum

**Date:** June 14, 2022  
**To:** Janina Lewis, Procurement Services Director  
**Through:** Paul Smith, Public Services Director *PS*  
**From:** Raymond Page, Utilities Superintendent  
**Subject:** Award Single Source 220136-N-AS, for Sulfuric Acid for the RO Water Facility

#### **Recommendation**

Award Single Source No. 220136-N-AS for Sulfuric Acid to Shrieve Chemical Company for the RO Water Facility for purchases in the total estimated annual amount of \$95,000.

#### **Background**

This item is part of ongoing procurement of operational supplies for the water treatment process. Procurement Services posted a Notice of Intent to Single Source Sulfuric Acid for the RO Water Facility. Shrieve Chemical was the only company to respond for sulfuric acid. Based on current cost comparisons of other chemicals and market research, Staff deemed the offered pricing to be fair and reasonable.

During the agreement, pricing will be addressed through escalation factors based on order volume and will be reviewed quarterly based on the Green Markets price index (a snapshot of how North American fertilizer prices and associated raw materials like sulfuric acid are trending over time). This pricing adjustment is a normal part of the industry based on market fluctuations of raw materials and transportation costs. The City and Shrieve Chemical Company would be allowed to adjust pricing on a quarterly basis, provided that a request is made within 30 days of the release of the index information and the City is able to justify the increase.

This treatment supply is essential for optimizing the pH of the raw water so that membranes perform at their peak and are protected from blockage. This chemical also meets the National Sanitation Foundation (NSF) certification requirements. RO water production cannot occur without this necessary chemical.

#### **Funding**

Funds have been budgeted in water and sewer enterprise fund Water Treatment Account 402-4305-536.5200 in the 2022 Fiscal Budget.