

**San Francisco Office of the City Administrator
City Administrator Carmen Chu**

Class-A Biosolids Management Services

File 220600; Contract 1000025273

Office of Contract Administration

Board of Supervisors' Government Audit & Oversight Committee

June 16, 2022

Contract Summary

- Proposed contract awarded to Lystek International Limited via competitive solicitation issued on March 29, 2022.
- Contract is to convert the city's biosolids (the nutrient rich solids produced during wastewater treatment) into a fertilizer and manages the subsequent use of the fertilizer.
- Pricing based on "fixed unit price" per wet ton of biosolids for the first 12 months. Pricing can be adjusted annually based on CPI.
- Used exclusively by the SFPUC Wastewater Enterprise.

Previous Contract Expenditures

Year	2018	2019	2020	2021	1/2022 - 5/2022	TOTAL
Wet Tons	11,470	15,081	11,458	25,996	14,373	78,378
Expenses	\$0.72M	\$1.03M	\$0.79M	\$1.85M	\$1.03M	\$5.42M

Projected Expenditures

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	TOTAL
Wet Tons	26,020	31,121	31,494	31,872	32,255	32,642	33,033	218,437
Expenses	\$2.54M	\$2.97M	\$3.08M	\$3.18M	\$3.29M	\$3.40M	\$3.52M	\$21.98M

- Increase in wet tonnage due to requirement to comply with Senate Bill 1383 and leverage carbon sequestration benefits of biosolids
- Increase in processing, transport, and labor costs from prior contract

Proposed Contract

- Request approval of resolution, as amended, to execute contract with Lystek International Limited:
 - Initial 5 year duration and NTE of \$16.4M
 - One two- year option to extend, for total NTE of \$22.8M

Thank You



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Ferric Ferrous Chloride - Primary

File 22-0601; Contract 1000025263

Ferric Ferrous Chloride - Secondary

File 22-0602; Contract 1000025301

Sodium Hypochlorite

File 22-0603; Contract 1000025302

Sodium Bisulfite

File 22-0604; Contract 1000025303

Office of Contract Administration

Board of Supervisors' Government and Oversight Committee

June 16, 2022

Contract Summary

- Issued competitive solicitation for various chemicals in March 2022
- Chemicals critical for City's wastewater and water treatment processes
- Pricing based unit price per ton or dry pound; varies by chemical
- Due to volatility in market, pricing can be adjusted every 6 months for first two years, annually thereafter, based on PPI
- Used primarily by SFPUC Wastewater and Water Enterprises

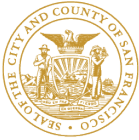
Projected Usage & Expenditures

	Chemical	Estimated Annual Volume	TOTAL NTE
Kemira Water Solutions <i>(File 22-0601)</i>	Ferric and ferrous chloride	1,270,700 gallons	\$26 M
TR International <i>(File 22-0602)</i>	Ferric and ferrous chloride	Secondary contract – no estimate	\$28 M
Univar <i>(File 22-0603)</i>	Sodium hypochlorite	5,683,200 gallons	\$74 M
Univar <i>(File 22-0604)</i>	Sodium bisulfite	1,347,900 gallons	\$19 M

Proposed Contracts

1. **Kemira Water Solutions – Primary ferric & ferrous chloride:**
 - Initial 3 year duration and NTE of \$ 11.2M
 - Option to extend up to 7 years, for total NTE of \$ 26M
2. **TR International – Secondary ferric & ferrous chloride:**
 - Initial 3 year duration and NTE of \$ 12M
 - Option to extend up to 7 years, for total NTE of \$ 28M
3. **Univar – sodium hypochlorite:**
 - Initial 3-year duration and NTE of \$32M
 - Option to extend up to 7 years, for total NTE of \$74M
4. **Univar – sodium bisulfite:**
 - Initial 3-year duration and NTE of \$8M
 - Option to extend up to 7 years, for total NTE of \$19M

Thank You



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Citywide Hardware Supplies

File 22-0599; Contract 1000006825

Office of Contract Administration

Board of Supervisors' Government Audit & Oversight Committee
June 16, 2022

Contract Summary

- Provides a wide variety of hardware supplies to all City Departments.
- Awarded to Professional Contractor's Supply (PCS) via competitive solicitation in May 20 17.
 - Current NTE \$7.5M, ending on July 14, 2025
 - Amended four (4) times
- Pricing based on catalogue discounts ranging from 28% to 44% off.
- Used heavily by all departments.

Projected Expenditures

Total Spend to Date	\$ 6,847,8112
Average Monthly Spend	\$ 122,28 2
Projected Expenditures to J uly 14, 20 25	\$ 4,646,730
Less Current Balance	\$ 652,18 8
Total Additional Funds Needed	\$ 3,994,541
Current NTE	\$ 7,500,000
NEW NTE TOTAL	\$ 11,494,541

- Increase in usage between FY21 and FY22 primarily driven by purchases from MTA and PUC, and heavy usage during the COVID emergency.
- Contract balance insufficient to meet City's business needs through the current contract end date of July 14, 2025.

Proposed Amendment

- Request approval of resolution to amend contract with Professional Contractor's Supply:
 - Increase NTE by \$4M for total NTE of \$11.5M
 - No change to duration

Thank You