



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 8, 2008

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works

SUBJECT: Approval Of Change Order Authority For Purchase Of Powdered Activated Carbon

RECOMMENDATION:

That Council retroactively approve Change Order authority of \$102,400 for Purchase Order No. 379014 to Norit for the purchase of Powdered Activated Carbon (PAC) to be used for water treatment at the Cater Water Treatment Plant (Cater).

DISCUSSION:

The City's primary water supplies come from Gibraltar Reservoir and Cachuma Lake, both of which have been inundated with organic materials as a result of the Zaca Fire, coupled by winter rain storms. The changed water quality has strained Cater's ability to consistently treat the water in accordance with federal regulations.

As an emergency water treatment strategy, staff solicited bids for Powdered Activated Carbon (PAC) at Cater. Low-bidder Norit was selected as the supplier. Council retroactively approved a purchase order for PAC with Norit on February 12, 2008, in the amount of \$102,400 for 160,000 pounds of PAC.

Staff has diligently been tracking the performance of PAC when treating the water. The use of PAC has proven to be successful, but in much higher dosages than originally anticipated. Additionally, with the recent warm weather, the daily water demand has nearly doubled as compared to January and February, which in turn has increased the demand for PAC. As a result, staff determined that Cater would run out of current PAC supplies before a new purchase order could be approved.

REVIEWED BY: _____ Finance _____ Attorney

Agenda Item No. _____

Due to the length of the bidding process, Water Resources staff has worked with the City's purchasing agent and Norit to procure sufficient PAC quantities for Cater that should last until the delivery of more PAC under the new purchase order. Norit has agreed to provide an additional 160,000 pounds of PAC at the same low-bid unit price of \$0.64/pound, for a total amount of \$102,400. Staff purchased PAC as an emergency measure for water treatment and is now seeking retroactive approval from Council for the purchase.

Staff is in the process of advertising for bid the purchase of significantly greater quantities of PAC, with the bid opening scheduled for April 11, 2008. This will ensure that Cater has ample supplies of PAC for continued water treatment in accordance with federal regulations.

BUDGET/FINANCIAL INFORMATION:

There are adequate funds in the Water Fund to cover this expense. The Zaca Fire was a State-declared emergency; therefore staff will seek reimbursement for these and other related costs through the Governor's Office of Emergency Services.

PREPARED BY: Cathy Taylor, Water System Manager/CT/spm

SUBMITTED BY: Paul Casey, Acting Public Works Director

APPROVED BY: City Administrator's Office