



Agenda Report

18-1080

Agenda Date: 8/28/2018

REPORT TO COUNCIL

SUBJECT

Action on an Agreement for the Performance of Services with Nalco Company, LLC to Provide Water Treatment Services at the Cogeneration Facility (CoGen)

BACKGROUND

In order to maximize the asset life of the Cogeneration Facility (CoGen), it is necessary to have in place a proper water treatment chemical program. Since 2005, Nalco Company, LLC (Nalco) has been providing chemical products and equipment to optimize the use of the chemicals while meeting or exceeding expectations for equipment corrosion and scale build-up.

DISCUSSION

In November 2017, Silicon Valley Power (SVP) prepared an RFP which included posting on the City website and the solicitation of three industry known service providers. SVP received three (3) qualified proposals. Staff reviewed each proposal to determine overall best value including cost and experience with specific treatment requirements at SVP facilities reducing the risk of damage to equipment and additional maintenance costs due to corrosion and scale build-up. Nalco was selected as the provider based on the criteria, value, and expertise.

Staff proposes entering into a three (3) year agreement with Nalco Company, LLC to ensure water treatment stays in line with appropriate technical and regulatory specifications. This water treatment program provides program development, program maintenance through bi-weekly service visits, SVP employee training, and semi-annual equipment and machinery inspections.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

The total cost of this Agreement for the Performance of Services with Nalco shall not exceed \$54,645 for the first year for a total not-to-exceed amount of \$163,933 over a three (3) year term. Sufficient funds are available in the Electric Department Operating Generation Pumping Expense account.

COORDINATION

This report has been coordinated with the Finance and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Approve an Agreement for the Performance of Services with Nalco Company, LLC to provide water treatment services in an amount not-to-exceed \$163,933 over a three (3) year term.

Reviewed by: John C. Roukema, Chief Electric Utility Officer
Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Agreement for the Performance of Services with Nalco Company, LLC