



CITY COUNCIL STAFF REPORT

ITEM NO. 5.6

DATE: July 14, 2025

TO: Honorable Mayor and City Council

FROM: Carl Brown, Public Works Director

SUBJECT: Resolution authorizing the execution of an agreement with Pencco, Inc. for the supply and delivery of ferric chloride for use at the Water Reclamation Plant in an amount not-to-exceed \$210,600.

RECOMMENDED ACTION

Staff recommends the City Council adopt a resolution authorizing the City Manager to execute an agreement with Pencco, Inc. for the supply and delivery of ferric chloride for use at the Water Reclamation Plant in an amount not-to-exceed \$210,600.

SUMMARY

The Water Reclamation Plant (WRP) uses ferric chloride in primary treatment and solids handling processes. Through a cooperative bidding process, Pencco, Inc. was determined to be the lowest bidder at \$1,500 per dry ton.

DISCUSSION

Staff at the WRP add ferric chloride in the primary clarifiers to minimize the amount of hydrogen sulfide produced in the anaerobic digesters. This helps minimize corrosion in the solids handling building, as well as improve air quality for staff while operating the belt press.

Earlier this year, the City participated in the annual Bay Area Chemical Consortium's (BACC) competitive bidding process for the supply of ferric chloride. This bidding process met the requirements of Livermore Municipal Code 2.68.390 section C for cooperative purchasing arrangements. The BACC is made up of numerous water and wastewater agencies in the Bay Area region that use similar chemicals. By utilizing the aggregate volume of these agencies, the BACC seeks to achieve the lowest market price for its members.

In February 2025, the BACC issued Bid No. 06-2025 for competitive bidding for the supply of ferric chloride. Pencco, Inc. was selected as the lowest responsive bidder at \$1,500 per dry ton.

FISCAL AND ADMINISTRATIVE IMPACTS

The \$210,600 not-to-exceed amount for the supply and delivery of ferric chloride is included in the FY 2025-26 operating budget in the Wastewater Enterprise Fund (Fund 620). Staff does not anticipate any administrative impacts or impacts to any other Fund due to approval of this agreement.

COMMUNITY PILLAR

1. A Safe Community That Thrives

GOAL

11. Operate and maintain municipal water systems that provide safe, efficient delivery of potable and recycled water, collect and treat wastewater, and comply with federal, state, and local regulations

ATTACHMENTS

- 1. [Award Letter](#)
- 2. [Resolution](#)
- 3. [Exhibit A - Agreement](#)

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Approved by:



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Fiscal Review by:



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