



**PUBLIC SERVICE BOARD MEETING
AGENDA ITEM
REGULAR MEETING
Wednesday, September 9, 2026**

SUBJECT

Emergency Agreement for the Purchase of Liquid Ferric Chloride

BACKGROUND

Liquid ferric chloride is used as a coagulant in the water treatment process at multiple EPWater water treatment plants. The Upper Valley Water Treatment Plant utilizes liquid ferric chloride year-round, while the Jonathan Rogers Water Treatment Plant utilizes liquid ferric chloride seasonally.

Following the expiration of Bid No. 80-22, EPWater continued to require liquid ferric chloride to maintain water treatment operations during the summer season. Due to the operational necessity of maintaining an adequate supply of liquid ferric chloride for continued water treatment, purchases from Kemira Water Solutions, Inc. continued under an emergency agreement under the President/CEO's delegated authority and pursuant to the state public health or safety bid exemption.

PRIOR PSB ACTION

- On October 12th, 2022, the Public Service Board awarded Bid No. 80-22 Liquid Ferric Chloride, to Kemira Water Solutions, Inc., the sole, responsive, responsible bidder, in the estimated annual amount of \$1,465,230 for a term of one year with the option for two one-year extensions, provided that funding is available in the approved budget.
- On August 14th, 2024, the Public Service Board approved a change order for Bid No. 80-22 Liquid Ferric Chloride with Kemira Water Solutions Inc., for the purchase of liquid ferric chloride in the amount of \$366,000 for the current option year for a total cumulative amount of \$1,831,230, and authorize the President/CEO or designee to approve a change order for option year two of the contract in the amount of \$366,000 for a total cumulative amount of \$1,831,230, if the second option year is exercised.

UTILITY KPI ALIGNMENT

Total Water Supply

EVALUATION PROCESS

The emergency agreement for the purchase of liquid ferric chloride was necessary to preserve or protect the public health or safety of EPWater's customers under Section 252.022(a)(2) of the Texas Local Government Code. The use of liquid ferric chloride is critical to the water treatment process.

FINANCIAL IMPLICATIONS

This expenditure is part of the approved budget.

PROPOSED ACTION REQUESTED

Presentation and discussion of the emergency agreement with Kemira Water Solutions, Inc. in the amount of \$499,534 for the purchase of liquid ferric chloride approved under the President/CEO's delegated authority; and that the Public Service Board finds that the emergency agreement was necessary to protect the public health or safety of customers pursuant to Section 252.022(a)(2) of the Texas Local Government Code.

SUPPORTING DOCUMENTATION PROVIDED

- None