



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: September 29, 2025

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Pencco, Inc., for the purchase of water and wastewater chemicals for the Water Production and Reclamation Department; providing for the expenditure of funds therefor; and providing an effective date (IFB 8823 – awarded to Pencco, Inc., in a three (3) year, with the option for two (2) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$5,083,100.00).

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Support Healthy and Safe Communities.

INFORMATION/BACKGROUND

This item supports the purchase of water and wastewater treatment chemicals for the Water Production and Water Reclamation Departments. These chemicals are essential to the treatment processes that ensure the delivery of safe, potable water and effective wastewater treatment for the City of Denton and surrounding communities. Each chemical serves a specific operational purpose and is critical to maintaining regulatory compliance and service reliability.

The City issued an Invitation for Bid (IFB) for Water and Wastewater Treatment Chemicals and is awarding lines based upon the lowest price per chemical, which resulted in eight (8) contracts. This contract is for these specific chemicals listed below.

Liquid Ammonium Sulfate (3,000-3,500 gallon truckloads) is used to combine with chlorine or sodium hypochlorite to form chloramines for disinfection. Liquid Ferric Sulfate is used as a coagulant to remove suspended solids in the flocculation process. Flurosilicic Acid 23% Solution is used as an aid for public oral hygiene by reducing tooth decay. The agreement will support uninterrupted operations at both the water production and water reclamation facilities.

Chemical	Five (5) Year Spend
Liquid Ammonium Sulfate	\$300,000
Liquid Ferric Sulfate	4,210,000
Flurosilicic Acid 23% Solution	111,000
Contingency-10%	462,100
Total	\$5,083,100

Invitation for Bids was sent to 268 prospective suppliers of this item, including 11 Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download, and advertised in the local newspaper. Fifteen proposals were received, with 14 meeting specifications. The lowest bid for Section A, Lines 4, 7, and 12, was awarded to Pencco, Inc.

NIGP Code Used for Solicitation:	885 - Water and Wastewater Treating Chemicals & 895 - Welding Equipment and Supplies
Notifications sent for Solicitation sent in IonWave:	268
Number of Suppliers that viewed Solicitation in IonWave:	60
HUB-Historically Underutilized Business Invitations sent out:	22
SBE-Small Business Enterprise Invitations sent out:	103
Responses from Solicitation:	15
Responses Meeting Specifications:	14

RECOMMENDATION

Award a contract with Pennco, Inc., for the purchase of water and wastewater chemicals for the Water Production and Reclamation Department, in a three (3) year, with the option for two (2) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$5,083,100.

PRINCIPAL PLACE OF BUSINESS

Pencco, Inc.
San Felipe, TX

ESTIMATED SCHEDULE OF PROJECT

This is an initial three (3) year contract with options to extend the contract for two (2) additional one (1) year periods, with all terms and conditions remaining the same.

FISCAL INFORMATION

These products and services will be funded through the department's budget on an as-needed basis. The City will only pay for services rendered and is not obligated to pay the full contract amount unless needed.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Bid Tabulation
Exhibit 3: Ordinance and Contract

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Trever Heskett, 940-349-7627.

Legal point of contact: Marcella Lunn at 940-349-8333.