



City of Cleveland

Justin M. Bibb, Mayor

Department of Public Utilities

Division of Water

1201 Lakeside Avenue

Cleveland, Ohio 44114-1175

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July 7, 2022

Blaine A. Griffin, President
Cleveland City Council
601 Lakeside Avenue
Cleveland, Ohio 44114

Re: Request for passage under suspension at the July 13, 2022 Council meeting
Amend Contract No. RC 2021-54 with Carus, LLC to provide orthophosphoric acid
(orthophosphate chemical) at a recalculated price

Dear President Griffin:

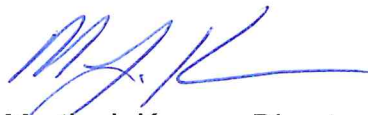
Please let this correspondence represent our request for the above referenced legislation to be passed under suspension at the next City Council meeting. This legislation would amend the above-referenced contract with Carus to authorize the recalculation, now and every six months, of the unit cost to the City for the remaining term of their contract due to the war in Ukraine.

Orthophosphate chemical is critical for lead and copper corrosion control as it provides a protective coating inside service lines and plumbing for compliance with the Federal and State Lead & Copper Rules. Failure to feed this chemical will result in violations and an impending public health disaster similar to Flint, Michigan.

The war in Ukraine has significantly impacted phosphorous supply worldwide as a major mine is located in Belarus. As a result of the war, no shipments of raw ore are leaving this mine. Demand for this material is now being allocated on an allotment basis and costs have skyrocketed as a result. Carus, LLC has seen their costs double in the past year and can no longer provide chemical at the current contract price. Carus, LLC has been working with their suppliers to try and maintain their current allotments for CWD, but this will not continue much longer as the contract price is not sustainable. We have already received half-orders of this chemical. Additionally, there are no other vendors that can provide this critical chemical at previously bid prices. We have been advised by these competitors to maintain contractual relations with Carus, LLC as no supplier can even guarantee they have allotments to meet CWD's needs. It is critical we enter into a direct award contract with Carus, LLC for orthophosphoric acid as soon as possible.

If you have any questions, please contact me at 664-2444 X75604. Thank you for your consideration of this request.

Respectfully,



Martin J. Keane, Director
Department of Public Utilities

Approved:

Blaine A. Griffin, President
Cleveland City Council

Date

CC: All Members of Council
Clerk of Council Patricia Britt
Chief Ryan Puente
Chief Elise Hara Auvil
Chief Bradford Davy
Chief Bonnie Teeuwen
Alex Margevicius, Commissioner, CWD
Frank Badalamenti, CFO, DPU
Margreat Jackson, DPU
Nancy Lanzola, Law Department
DPU Contracts Unit