
Meeting Date: April 22, 2026
Staff Contact: Joel Berman- Chief Operations Officer

TITLE: C-26-10 – Approval of Contract with Pencco Inc- B2026000003 Ferric Chloride

ACTION: Recommend Approval

SUMMARY:

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) issued a Request for Bid (RFB) B2026000003 to solicit Bids from qualified vendors to provide as needed Ferric Chloride. This approval would allow for Pencco Inc. to provide Ferric Chloride that is necessary for operations of both water and wastewater systems. The product is utilized for enhanced coagulation at the San Juan Chama Surface Water Treatment Plant and for odor reduction in the sewer collection system.

The RFB was advertised in the local newspaper, and available for download on the Water Authority's eProcurement website, Bidnet. Bids were opened for the above-referenced RFB on Monday, March 2nd, 2026, at 2:00 p.m. The bids were reviewed and evaluated by the Water Authority operations staff.

The apparent low responsive and responsible bidder is Pencco Inc. for this product. The Water Authority staff recommends an agreement for this product be awarded to Pencco Inc. A tabulation summary of the bids is attached.

Resolution R-18-14 requires board approval for any purchase in an amount exceeding \$500,000. Approval of this item will delegate signature authority to the Executive Director to enter into a price agreement with Pencco Inc, to provide Ferric Chloride. Approval of this item shall also serve as delegation of authority for the Executive Director to approve all future amendments to this price agreement, if any.

If approved by the Board, a purchase order will be issued to **Pencco Inc.**

FISCAL IMPACT:

Total estimated expenditure of this price agreement for the four (4) year term is expected to exceed \$500,000.00 to be paid from the FY26-FY30 Water Authority budget.

PREFERENCE EVALUATION

B202600003 Ferric Chloride									BID AMOUNT W/PREFERENCES APPLIED
VENDOR	BID AMOUNT	Resident	Res. Vet.	Local	Small	Pay Eq.	Recycled Goods	18% MAX	
KEMIRA	\$ 6,324,778.00						8%	8%	\$ 5,818,795.76
PENCCO	\$ 5,096,324.00							0%	\$ 5,096,324.00
								0%	\$ -
								0%	\$ -
								0%	\$ -

Memo

To: Mark S. Sanchez, Executive Director
Joel Berman, Chief Operations Officer

From: Michelle Chavez, Senior Buyer *MC*

Through: Candida Kelcourse, Purchasing Officer *CK*

Date: March 26, 2026

Re: Recommendation of Award for B2026000003 Ferric Chloride

The Albuquerque Bernalillo County Water Utility Authority issued the referenced Request for Bids (RFB) to solicit proposals from qualified vendors for ferric chloride.

The RFB was posted on BidNet and advertised in the local newspaper. Two (2) responsive offers were received. Pencco Inc. is the lowest responsive bidder after applicable preferences were applied.

The Bid Tabulation is attached for your review. We therefore recommend, if a Contract for this product is awarded, it be awarded to Pencco Inc.

If the bid result is acceptable, please sign in the appropriate place and return the document to me. I concur with the recommendation.

APPROVED:

Mark S. Sanchez

Mark S. Sanchez
Executive Director

Date: 3/27/26 07:49 MDT

RECOMMENDED:

Joel Berman

Joel Berman
Chief Operations Officer

Date 4/6/26 06:45 MDT

Enclosures: Bid Tabulation

PREFERENCE EVALUATION

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								0%	\$ -
								0%	\$ -
								0%	\$ -



PURCHASE ORDER NO..
BP001776
Printed 04/06/2026

PR# R0009576

INQUIRIES TO:

Albuquerque Bernalillo Water Utility Authority
 PURCHASING SECTION
 PO BOX 568
 ALBUQUERQUE, NM 87103-0568
 PHONE NO: 505-289-3227

INVOICE TO:

INVOICES MUST BE EMAILED TO:
 VENDORINVOICES@ABCWUA.ORG

VENDOR:

PENCCO INC
 PO BOX 600
 SAN FELIPE, TX 77473

SHIP TO:

VARIOUS DEPARTMENTS
 VARIOUS LOCATIONS
 ALBUQUERQUE, NM 87103

Vendor Contact:

Buyer Name Michelle Chavez	Reference # B2026000003	CCN:	Ship Via Common	Effective Date 04/07/2026	Expiration Date 04/06/2030
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LINE	QTY	UNIT	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
0001	1.00	TON	FERRIC CHLORIDE DELIVERED BY RAIL PER THE ATTACHED SPECIFICATIONS	\$0.00	\$0.00
			QTY# 3900 \$876.30 PER DRY TON		
0002	1.00	TON	FERRIC CHLORIDE DELIVERED BY TRUCK PER THE ATTACHED SPECIFICATIONS	\$0.00	\$0.00
			QTY# 1694 \$991.00 PER DRY TON		
TOTAL					\$0.00

Vendor Name: Sarah Duffy
 Vendor Name: Jennifer Guajardo
 Vendor Name: Roderick Abinet
 Vendor Name: rabinet@penco.com
 Vendor Phone: 979-885-0005
 Vendor Email: sarah@penco.com
 Vendor Email: jguajardo@penco.com
 Water Name: Holstad, Mark S.

Water Name: Warren, H

Water Name: Sanchez, Cassia

Water Phone: (505) 259-3819

Water Phone: (505) 302-8111- Cassia Sanchez

Water Email: mholstad@abcwua.org

Water Email: hwarren@abcwua.org

Water Email: cassiasanchez@abcwua.org

FOB destination. Freight is included in the unit price.

In addition to the insurance requirements set forth in the Purchase Order Terms and Conditions, Pollution Liability in the amount of \$1,000,000.00 is also required.

Authorization to Proceed: Purchasing Officer signature on this Purchase Order indicates authorization to proceed pursuant to the Rules Governing Procurement for the Albuquerque/Bernalillo County Water Utility Authority.



This purchase order shall be for the term specified above and may be extended at the discretion of the Water Authority to the extent allowed by the Procurement Ordinance, the Rules or other applicable authority.

Candida Kelcourse
Purchasing Officer

Albuquerque Bernalillo County Water Utility Authority (Water Authority)

TERMS AND CONDITIONS

IMPORTANT: READ CAREFULLY BEFORE PROVIDING GOODS, SERVICES OR CONSTRUCTION. FAILURE TO DO SO WILL NOT RELIEVE VENDOR OF RESPONSIBILITY TO PERFORM OR DELIVER IN ACCORDANCE WITH ALL APPLICABLE PROVISIONS.

1. General: This purchase order is authorization to provide the goods, services or construction described on its face in accordance with the Terms and Conditions set out below and any attached offer submitted by Vendor and accepted by the Water Authority. These constitute the terms of the contract between the parties. If this purchase order results from a formal solicitation or separate contract, all or part of those documents are also made a part of the contract as specified in those documents referenced in this purchase order and will control over any conflicting provisions in these Terms and Conditions. Unless otherwise provided, this is an indefinite quantity contract; it is not exclusive to Vendor; the Water Authority may make similar purchases from other vendors as needed; and the Water Authority is not obligated to make any amount of purchases under the contract.

2. Packing, Shipping and Invoicing: Department name AND purchase order number MUST be on all invoices, packages, packing slips, bills of lading, etc. The Department's count will be accepted by the Vendor as final and conclusive on all shipments not accompanied by a packing slip. Vendor will bear all risk of loss or damage until delivery to the Water Authority. Shipment is F.O.B. Destination unless purchase order states otherwise.

3. Delivery and Inspection: Delivery will be strictly in accordance with the Water Authority's delivery schedule and instructions. Final inspection and acceptance will not be deemed to be a waiver by the Water Authority of its right to (a) cancel, reject or return, at Vendors risk and expense, all or any portion of the goods, services or construction, or (b) make a claim for damages. Payment prior to inspection does not constitute acceptance.

4. Payment Terms/Discounts: Payment terms are net thirty (30) days unless otherwise specified in the contract. Discounts, if offered, will be computed from the date of actual delivery or receipt of invoice, whichever is later.

5. Taxes: All applicable gross receipts taxes are assumed to be included unless otherwise specified. The Water Authority will furnish, on request, a Non-Taxable Transaction Certificate. Determination of whether the tax is due and payment of the tax is the responsibility of the Vendor. Applicable taxes should be included in each invoice and may not be billed more than sixty (60) days after providing the goods, services or construction to which the taxes apply.

6. Commercial Warranty: Vendor agrees that it will provide the Water Authority with the most favorable commercial warranties which Vendor gives to any customer for the goods, services, or construction and that the rights and remedies provided herein will extend to the Water Authority and are in addition to and do not limit any rights afforded to the Water Authority by law or under this contract. Vendor agrees not to disclaim warranties of fitness for a particular purpose or merchantability. All of Vendors representations and warranties, both express and implied, constitute conditions of this contract. In the event that the goods, services or construction are found to be defective or fail within the warranty period, Vendor will, at its own expense, promptly remedy the defects.

7. New Material: All items provided under this contract will be NEW and of most current production, unless otherwise specified.

8. Indemnification: Vendor agrees to indemnify and hold harmless the Water Authority, its Board, officers, agents and employees against any and all damages, claims, expenses or other liability, including attorneys' fees, arising out of any (a) alleged or actual infringement or misappropriation of any copyright, patent, trademark, trade secret or other right based upon the goods, services or construction provided by Vendor pursuant to this contract; (b) negligence or willful misconduct of Vendor; (c) Vendors failure to perform fully its obligations herein in a timely manner; or (d) breach of any of Vendors representations and warranties herein.

9. Insurance: Vendor will maintain in effect during the term of the contract, insurance of the kinds, in the amounts and in the form specified by the Water Authority, including, but not limited to: Commercial General Liability Insurance, Business Automobile Liability Insurance, and Workers' Compensation Insurance. As proof that such insurance is in effect, Vendor will furnish certificate(s) of insurance in a form satisfactory to the Water Authority prior to providing goods, services or construction under the contract.

10. Right to Audit/Inspection of Plant: Vendor will maintain complete and accurate records of all financial transactions associated with this contract, including, but not limited to, invoices and other official documentation which sufficiently support all charges under this contract. Vendor will retain such records for six (6) years after final payment, or longer if required by law. Authorized representatives of the Water Authority may inspect and copy records pertaining to this contract at the Vendors business office during normal business hours. Vendor will include this audit provision in any subcontracts that it may issue under this contract. The Water Authority may inspect, at any reasonable time, Vendors plant or place of business related to the performance of this contract.

11. Default: The Water Authority will have the right to cancel all or any part of this contract without cost to the Water Authority if the Vendor fails to meet the provisions of this contract and, except as otherwise provided herein, to hold the Vendor liable for any excess cost incurred by the Water Authority due to Vendors default. Vendor will not be liable if failure to perform the contract arises out of causes beyond the control and without the fault or negligence of Vendor; such causes include, but are not restricted to, acts of God or the public enemy, acts of the State or federal government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and defaults of subcontractors due to any of the above, unless the Water Authority determines that the supplies or services to be furnished by the subcontractor were obtainable from other sources. The rights and remedies of the Water Authority provided in this paragraph are not be exclusive and are in addition to and do not limit any rights afforded to the Water Authority by law or under this contract.

12. Termination: The Water Authority will also have the right to terminate the contract upon the occurrence of any one or more of the following events: (a) if sufficient appropriations are not made by the Water Authority Board. Such event will not be an event of default and the contract may be terminated at the end of the Water Authority's then current fiscal year upon written notice given by the Water Authority to Vendor; (b) without notice to Vendor, upon receipt of a notice of debarment or of ineligibility to receive funds by Vendor from any agency of the federal government or the State of New Mexico or a local public body of the State. (c) if Vendor is found to have engaged or is engaging in Unfair Business Practices as described in Section 2-376 of the Water Authority Procurement Ordinance; or (d) at any time for convenience by giving at least thirty (30) days notice in writing to Vendor. In such event, Vendor will be paid under the terms of the contract for all goods, services or construction provided to and accepted by the Water Authority prior to the effective date of termination.

13. Assignment/Changes: Neither the contract, nor any interest therein, nor claim thereunder, may be assigned or transferred by Vendor, except as expressly authorized in writing by the Water Authority. No such assignment or transfer will relieve Vendor from the obligations and liabilities under this contract. The terms of the contract may not be changed without the prior written approval of the Water Authority.

14. Compliance With Laws: In performing the contract, Vendor will comply with all applicable laws, ordinances and codes of the federal, State and local governments, including, but not limited to the New Mexico Governmental Conduct Act, the New Mexico Human Rights Act, Title VII of the federal Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and all federal, State and local statutes, regulations and executive orders relating to civil rights. In addition, Vendor certifies that (1) it has not, either directly or indirectly, entered into action in restraint of free competitive bidding; (2) it will comply with the Ethical Conduct provisions (2-390) and Unfair Business Practices provisions (2-376) of the Water Authority Procurement Ordinance; and (3) it presently has no interest and will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of this contract. Vendor will obtain and maintain, and furnish to the Water Authority upon request, any and all permits, licenses, approvals, certificates and other documents required by the Water Authority, or otherwise required by applicable law.

15. Governing Law: This Contract is governed by the laws of the State of New Mexico without regard to principles of conflicts of law. Any and all actions or proceedings relating to the subject matter of this contract will be maintained by and subject to the jurisdiction of State and federal courts located in Bernalillo County, New Mexico, which courts will have exclusive jurisdiction for such purposes.

IMPORTANT NOTICE: Before accepting a purchase order, always check for authenticity and require identification. The Water Authority will not be liable for purchases made by unauthorized individuals. (Rev. 07/01/2018)

16. The contractor agrees to notify the Water Authority immediately by telephone (505-289-3698) and email (mailto:vendorincident@abcwua.org) whenever a Security Incident occurs.

The written notice shall include the date and time of the Security Incidents occurrence (or the approximate date and time of the occurrence if the actual date and time of the occurrence is not precisely known) and a detailed summary of the facts and circumstances of the Security Incident, including a description of (a) why the Security Incident occurred (e.g., a description of the reason for the system failure), (b) the amount of Company Information known or reasonably believed to have been Disclosed, and (c) the measures being taken to address and remedy the occurrence to prevent the same or a similar event from occurring in the future.

The contractor shall provide written updates to the Water Authority addressing any new facts and circumstances learned after the first written notice and will provide such updates within a reasonable time after learning of those new facts and circumstances.

The contractor shall reasonably cooperate with the Water Authority's efforts to determine the risk posed by the Security Incident, including providing additional information regarding the Security Incident upon request from the Water Authority.