



NEWPORT BEACH

City Council Staff Report

April 28, 2026
Agenda Item No. 9

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Approval of Purchase Order for the Purchase and Delivery of
Sodium Hypochlorite

ABSTRACT:

The Utilities Department administers the disinfection of the City of Newport Beach's drinking water supply. The main component of the disinfection is sodium hypochlorite (chlorine). The Utilities Department recommends City Council approval of a purchase order for the purchase and delivery of sodium hypochlorite from JCI Jones Chemical, Inc. (JCI).

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Authorize the City Manager to approve a purchase order for the purchase and delivery of sodium hypochlorite from JCI Jones Chemical, Inc., over the next two fiscal years, starting July 1, 2026, up to a total amount of \$500,000.

DISCUSSION:

Liquid sodium hypochlorite, a chlorine product, is used to disinfect the City's drinking water supply prior to entering the water distribution system. Certified Utilities Department staff use highly sensitive equipment and analyzers to measure, dose and continuously monitor the liquid sodium hypochlorite amounts to specific set point parameters. The water is then tested weekly. Samples are collected from 30 different locations throughout the water distribution system and laboratory tested. Approximately 100,000 to 120,000 gallons of sodium hypochlorite are used annually.

On July 25, 2023, following a Request for Bids process (RFB 23-74), the City Council authorized the City Manager to approve a purchase order for up to a total amount of \$750,000 over three fiscal years, which ends June 30, 2026.

Utilities staff contacted JCI, and the company agreed to keep its unit cost price for sodium hypochlorite stable with a modest three percent increase per year for the next two fiscal years, ending June 30, 2028. Despite the Consumer Price Index (CPI) adjustments applied to the 2023 purchase order, JCI's unit pricing remains approximately 10% below the next most competitive bid received during the 2023 solicitation process. This cost delta confirms that JCI continues to provide the most advantageous pricing for the City.

For the past three years, JCI has provided the City with high-quality, competitively priced and reliable delivery of sodium hypochlorite product. The company has a facility in Torrance, California, and has provided water treatment chemicals and related products throughout California for over 60 years. JCI supplies sodium hypochlorite for water treatment to several Southern California water agencies. In addition, the company's products continue to meet all industry standards as required by the City's specifications. Utilities staff is pleased with the performance of JCI Jones Chemicals, Inc., and recommends the approval of a purchase order for the purchase and delivery of sodium hypochlorite for the next two fiscal years, starting July 1, 2026.

FISCAL IMPACT:

The proposed Fiscal Year 2026-27 budget includes sufficient funding for this purchase. The purchase of sodium hypochlorite will be expensed to the Water Enterprise Fund's Treatment Chemical account in the Utilities Department, 7019052-841018. Depending on the amount of water produced by the City, the Utilities Department estimates spending approximately \$225,000 per year based on pricing effective July 1, 2026. The total purchase order cost includes contingencies for production and wholesale price volatilities and inflationary factors over the next 12 months.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).