

## AGENDA



Thursday, January 31, 2008

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 59

**Subject:** Authorize award and execution of a 24-month requirements supply contract with DXI INDUSTRIES, INC., Houston, TX, to provide liquid sulfur dioxide for the Austin Water Utility in an estimated amount not to exceed \$206,640 with two 12-month extension options in an estimated amount not to exceed \$103,320 per extension option, for a total estimated contract amount not to exceed \$413,280.

**Amount and Source of Funding:** Funding in the amount of \$60,270 is available in the Fiscal Year 2007-2008 Operating Budget of the Austin Water Utility. Funding for the remaining seventeen months of the original contract period and extension options will be contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Steve Aden, Supervising Senior Buyer, 974-2021.

**Purchasing Language:** Lowest bid of two bids received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore no goals were established for this solicitation.

**Boards and Commission Action:** Recommended by the Water and Wastewater Commission.

This contract establishes a 24-month requirements supply contract for the supply of liquid sulfur dioxide in 1-ton containers. The Austin Water Utility uses sulfur dioxide to remove chlorine from wastewater effluent following the disinfection treatment process. The requested agreement will help insure the City remains in compliance with State and Federal Discharge Compliance Monitoring Regulations. Liquid sulfur dioxide will be purchased on an as needed basis for delivery to and used at the Walnut Creek and South Austin Regional Wastewater plants.

MBE/WBE solicited: 1/2                      MBE/WBE bid: 0/0

**PRICE ANALYSIS**

- a. Adequate competition.
- b. Sixty-five notices were sent including one MBE and two WBEs. Two bids were received with no response from MBE/WBEs. Two "No Bids" were received.
- c. The pricing offered represents a 6% increase to the last contract award in October 2006.

**APPROVAL JUSTIFICATION**

- a. Lowest bid received. DXI is not the current supplier for this product.
- b. The Purchasing Office concurs with Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and Internet.