

AGENDA



Thursday, March 6, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 25

Subject: Authorize award and execution of a 12-month requirements contract with NORIT AMERICAS INC., Marshall, TX, for the purchase of powdered activated carbon for the Austin Water Utility in an estimated amount not to exceed \$488,400, with two 12-month extension options in an estimated amount not to \$488,400 per extension option, for a total estimated contract amount not to exceed \$1,465,200.

Amount and Source of Funding: Funding in the amount of \$284,900 is available in the Fiscal Year 2007-2008 Operating Budget of the Austin Water Utility. Funding for the remaining seven months of the original contract period and extension options is contingent upon the 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 meeting specifications of three 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 will provide the Austin Water Utility (AWU) with a readily available supply of powdered activated carbon that will be purchased on an as needed basis. Powdered activated carbon is a non-toxic water treatment chemical used to control taste and odor in the treatment of tap water. This chemical has been approved by the Environmental Protection Agency and the Texas Commission on Environmental Quality.

AWU stores limited amounts of this chemical at the Ullrich and Davis Water Treatment Plants. This contract will ensure that AWU has an adequate amount of powdered activated carbon on hand to provide quality drinking water to its customers.

MBE/WBE sent: 1/1

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Fifty-one notices were sent, including one MBE and one WBE. Three bids were received, with no response from MBE/WBE. One "No Bid" was received.
- c. The pricing offered represents a 25% increase to the previous contract award in February 2007. This increase can be attributed to the increase in production and transportation costs.

APPROVAL JUSTIFICATION

- a. Lowest bid meeting specifications. Norit Americas Inc. is the current provider of this product.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin America-Statesman and on the Internet.