

AGENDA



Thursday, March 26, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 36

Subject: Authorize award and execution of a 24-month requirements supply contract with LUCIER CHEMICAL INDUSTRIES LTD., dba, LCI, LTD, Jacksonville Beach, FL, for fluoro-silicic acid for the Austin Water Utility in an estimated amount not to exceed \$1,456,400 with three 12-month extension options in an estimated amount not to exceed \$910,250 per extension option, for a total estimated contract amount not to exceed \$4,187,150.

Amount and Source of Funding: Funding in the amount of \$364,100 is available in the Fiscal Year 2008-2009 Operating Budget of the Austin Water Utility. Funding for the remaining 18 months of the original contract period and extension options is 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 Sr. 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 the minimum requirements to provide fluorosilicic acid for the Austin Water Utility. The Austin Water Utility is required to add fluoride to the drinking water based on a 1972 public referendum- Ordinance #720817-11. The fluorosilicic acid will be delivered to and used at the Davis and Ullrich water treatment plants.

The product complies with the American Water Works Association (AWWA) Standard B703 and National Sanitary Foundation (NSF) Standard 60 which governs additives for the treatment of drinking water. MBE/WBE solicited: 1/0 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Fifty-six notices were sent, including one MBE. There are no known WBEs available for this commodity. Two bids were received, with no response from the MBE. Three "No Bid"s were received.
- c. The pricing offered represents a 41% increase to the last contract award in March 2008. This can be attributed to the increases in manufacturer costs for production, delivery, and fuel.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Lucier Chemical Industries 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 American-Statesman and Internet.