

AGENDA



Thursday, April 29, 2010

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

Subject: Authorize award and execution of a 36-month requirements supply contract with AUSTIN WHITE LIME COMPANY, Austin, TX for the supply of quicklime for the Austin Water Utility in an estimated amount not to exceed \$12,177,000, with three 12-month extension options in an estimated amount not to exceed \$4,059,000 per extension option, for a total estimated contract amount not to exceed \$24,354,000.

Amount and Source of Funding: Funding in the amount of \$1,691,250 is available in the Fiscal Year 2009-2010 Operating Budget of the Austin Water Utility. Funding for the remaining 31 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: Roy Rivers, Buyer II/974-2596

Purchasing Language: Sole bid 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.

Prior Council Action: Recommended by the Water & Wastewater Commission.

This contract will provide quicklime to the Ullrich and Davis Water Treatment Plants. Quicklime is used in the treatment and softening of municipal water supplies. The quicklime will be delivered to and used at the water treatment plants on an as needed basis.

The product offered complies with the American Water Works Association (AWWA) Standard B202-02, which is the standard for quicklime used in the treatment of drinking water. It also meets the National Sanitation Foundation (NSF) Standard 60 which governs the use of direct and indirect additives for the treatment of drinking water.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Sole bid. Austin White Lime has been the only bidder to respond to these type solicitations since 2004. There are no other known suppliers that are currently able to meet the product requirements.
- b. Seventy-three notices were sent. There are no known MBE/WBEs available for this commodity. One bid was received.
- c. The pricing offered represents a 39% increase per line item from the last contract award in May 2007. This increase can be attributed to the difficulty in consistently meeting the City's required limit of 2.5% residue. This requirement limits the wear on City water treatment plant components used in the treatment of water.

APPROVAL JUSTIFICATION

- a. Sole bid received. Austin White Lime Co. is the current provider of these products, and has been the only interested bidder since 2004.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.