



MEMORANDUM

To: Mayor and Council Members

From: Greg Meszaros, Director, Austin Water Utility

Date: January 31, 2011

Subject: Ratification/ Pre-authorization to Purchase Liquid Chlorine

On April 1, 2009, a 24 month contract was approved with Altivia Corporation to provide Liquid Chlorine for both the Water and Wastewater treatment process. On September 14, 2009, due to an increase in chemical costs, amendment number one of the contract was executed allowing the unit price per ton to increase from \$449 to \$561.25 or 25%. However, the increase in unit price and greater than estimated usage due to the higher than average rainfall caused the contract to be exhausted sooner than anticipated. Given the health and safety risk associated with the lack of chlorine in the treatment process, this memo is to request a ratification and pre-authorization for the purchase of liquid chlorine to last through the remainder of the contract period, March 31, 2011.

AWU has already begun and is nearing the end of the process to bid and award a new contract for liquid chlorine, and it is anticipated to go before Council in the next month or so. However, in the mean time, given the necessity of liquid chlorine to the water and wastewater treatment process, we are requesting a ratification of a purchase in the amount of \$47,706.25 and the pre-authorization of expenditures against the original Altivia contract in the amount of \$163,333.50, making the total contract an amount not to exceed \$211,039.75.

Should you have any questions or comments, please do not hesitate contact me.

Greg Meszaros, Director
Austin Water Utility

cc: Marc A. Ott, City Manager
Rudy Garza, Assistant City Manager
Byron Johnson, Purchasing Officer