

AGENDA



Thursday, February 17, 2011

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 38

Subject: Authorize award and execution of a 24-month requirements supply contract with DXI INDUSTRIES COMPANY, Houston, TX for the supply of liquid chlorine in for the Austin Water Utility in an amount not to exceed \$1,809,113, with two 12-month extension options in amounts not to exceed \$1,256,328 and 1,570,410 per extension option, for a total agreement amount not to exceed \$4,635,851.

Amount and Source of Funding: Funding in the amount of \$452,278 is available in the Fiscal Year 2010-2011 Operating Budget of the Austin Water Utility. Funding for the 18 remaining 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: Sydney Ceder, Sr. Buyer/974 2035

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 Water and Wastewater Commission.

This contract establishes an annual supply agreement to provide liquid chlorine in 1 ton and 150 lb. cylinders for the Austin Water Utility. The one ton cylinders will be delivered to David, Walnut Creek and South Austin Regional Water & Waste Treatment Plants and the 150 lb. cylinders will be delivered to Govalle and Anderson Mill Wastewater Treatment Plants. The City uses liquid chlorine to disinfect the water and wastewater of the City.

The product complies with the American National Standards Institute/American Water Works Association (ANSI/AWWA) Standard B301a-99, which is the standard for chlorine used for the treatment of water and wastewater. It also meets the American National Standard Institute/National Sanitation Foundation (ANSI/NSF) Standard 60 and 61, which governs the use of direct and indirect additives for the treatment of drinking water. MBE/WBE solicited: 1/2 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Fifty-six notices were sent, including one MBE and two WBEs. Two bids were received with no response from the MBE/WBEs.
- c. The pricing offered represents an approximate 7.5% increase from the last contract award April 2009.

APPROVAL JUSTIFICATION

- a. Lowest bid.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.