

A G E N D A



RCA - Purchasing

Austin City Council

Item ID:

5124

Meeting Date:

April 7, 2011

Department:

Purchasing

Subject

Authorize award and execution of a 36-month requirements supply contract with PREMIER MAGNESIA, LLC, Flint, TX for the supply of THIOGUARD® magnesium hydroxide for the Austin Water Utility in an amount not to exceed \$750,000, with three 12-month extension options in amounts not to exceed \$250,000 per extension option, for a total contract amount not to exceed \$1,500,000. Premier Magnesia, LLC is the sole source provider for this product.

Amount and Source of Funding

Funding in the amount of \$125,000 is available in the Fiscal Year 2010-2011 Operating Budget of the Austin Water Utility. Funding for the remaining thirty 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.

Purchasing Language:

Prior Council Action:

For More Information:

Sydney Ceder, Sr. Buyer/974 2035

Boards and
Commission Action:

Recommended by the Water and Wastewater Commission.

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.

Related Items:

Additional Backup Information

This contract establishes a 36-month supply agreement for the application of THIOGUARD® magnesium hydroxide, an odor/corrosion control media, to be used in the wastewater collection system for the Austin Water Utility. This product is applied to wastewater to make it less acidic. The benefits of reduced acidity are:

- a) emission of hydrogen sulfide gas (the "rotten egg" smell) is reduced in the system and in the facility;
- b) fats, oils and greases formed in the system are reduced; and
- c) the life expectancy of infrastructure - facility and piping - is increased.

There will be approximately 14 dosing sites to treat approximately 4.12 MGD (million gallons per day) of wastewater.

Premier Magnesia, LLC is the owner of U.S. Patent No. 5,833,864, entitled METHOD FOR THE REDUCTION AND CONTROL OF THE RELEASE OF GAS AND ODORS FROM SEWAGE AND WASTEWATER and the

only authorized seller of magnesium hydroxide for use in the City of Austin's collection system.