

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

25235

Agenda Number

49.

Meeting Date:

June 27, 2013

Department:

Purchasing

Subject

Authorize award and execution of a 36-month requirements supply contract with PREMIER MAGNESIA, LLC, to provide magnesium hydroxide slurry and equipment for the Austin Water Utility Department, in an amount not to exceed \$10,526,400 with two 12-month extension options in an amount not to exceed \$3,508,800 per extension option, for a total contract amount not to exceed \$17,544,000.

Amount and Source of Funding

Funding in the amount of \$877,200 is available in the Fiscal Year 2012-2013 Operating Budget of the Austin Water Utility. Funding for the 33-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:

Low bid meeting specification received.

Prior Council
Action:For More
Information:

Steve Aden, Purchasing Manager, 972-4040

Boards and
Commission
Action:

June 12, 2013 – Approved by the Water and Wastewater Commission on a 6-0 vote.

Related Items:

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.

Additional Backup Information

This contract with Premier Magnesia, LLC, Conshohocken, PA is for the purchase of magnesium hydroxide slurry and related feed equipment for the Austin Water Utility's (AWU), South Austin Regional (SAR) and Walnut Creek Wastewater Treatment Plants (WWTP). The wastewater plants have been receiving a large amount of ammonia through the collection system that has had the effect of lowering the alkalinity through the wastewater treatment plant process. Because of this the Utility has been using lime residuals from the water plant to supplement the alkalinity at the Walnut Creek WWTP. This has had the effect of causing additional solids to go to Hornsby Bend. The Utility is now experiencing a similar alkalinity issue at SAR WWTP. There is no way of getting residuals to that plant so we need to use the magnesium hydroxide feed until we can work out a more permanent solution. This contract will enable magnesium hydroxide to be used at both Walnut Creek and SAR until capital improvement projects can be designed and built.

MBE /WBE solicited: 0/0

MBE /WBE bid: 0/0

BID TABULATION

IFB No. STA1080

Magnesium Hydroxide Slurry and Equipment
(4 line items)

VENDOR

TOTAL BID

Premier Magnesia, LLC
Conshohocken, PA

\$3,508,800

Forsythe Brothers Infrastructure, LLC
Austin, TX

*

*Contractor was deemed non-responsive due to failure to provide documents required as set forth in the bid specifications.

NOTE: Complete copy of the bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Adequate competition.
- b. Fifteen notices were sent. Two bids were received. There are no known MBE /WBE firms registered for this commodity.
- c. The pricing offered represents no increase from the last purchase made in April 2013.
- d. Premier Magnesia, LLC is the current provider.

APPROVAL JUSTIFICATION

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

