

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	31050	Agenda Number	15.
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Meeting Date:	March 6, 2014
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Department:	Purchasing
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Subject

Authorize award and execution of a 24-month requirements supply agreement with two 12-month extension options with BRENNTAG SOUTHWEST, INC., for the purchase of liquid ammonium sulfate for the Austin Water Utility in an amount not to exceed \$145,280 with two 12-month extension options in an amount not to exceed \$72,640 per extension option, for a total contract amount not to exceed \$290,560.

Amount and Source of Funding

Funding in the amount of \$36,320 is available in the Fiscal Year 2013-2014 Operating Budget of the Austin Water Utility. Funding for the 18 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 of three received.
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Prior Council Action:	
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For More Information:	Steve Aden, Purchasing Manager-Corp, 972-0047
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Boards and Commission Action:	February 12, 2014 – Recommended by the Water and Wastewater Commission on a 7-0 vote.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore no goals were established for this solicitation.
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Additional Backup Information

This contract is for the purchase of 800,000 lbs. annually of liquid ammonium sulfate for use at the Austin Water Utility's Water Treatment Plant # 4 which is anticipated to come online Summer 2014. The product will be delivered on an as needed basis and stored in two tanks located at the facility.

Liquid Ammonium Sulfate (LAS) is combined with Chlorine to form chloramines which is the disinfectant used in the distribution system. This is a different chemical than that used at the other water plants to form chloramines.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/0

BID TABULATION

IFB No. STA1106

LIQUID AMMONIUM SULFATE
(800,000 LBS)

<u>VENDOR</u>	<u>UNIT PRICE</u>	<u>TOTAL BID</u>
Brenntag Southwest, Inc. Houston, TX	\$0.0908	\$72,640
Pencco, Inc. San Felipe, TX	\$0.0924	\$73,920
General Chemical Performance Products Parsippany, NJ	\$0.0945	\$75,600

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

- Adequate competition.
- Thirty-eight notices were sent, including 1 WBE. There were no MBE firms listed for this commodity. Three bids were received, with no MBE or WBE firms responding. One "No Bid" response was received.
- This is the first purchase of its type; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

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