

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	60264	Agenda Number	23.
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Meeting Date:	August 4, 2016
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Department:	Purchasing
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Subject

Authorize an amendment to the contract with NALCO COMPANY to provide continued equipment supply and service for chemical water treatment programs at various City facilities to add one six-month extension option in an amount not to exceed \$800,000 for a revised total contract amount not to exceed \$9,800,000.

Amount and Source of Funding

Funding in the amount of \$133,333 is available in the Fiscal Year 2015-2016 Operating Budgets of various City departments. Funding for the remaining five months of the current contract period is contingent upon available funding in future budgets.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	Contract Amendment
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Prior Council Action:	February 10, 2011 – approved original contract, item # 20.
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For More Information:	Cheryl Kaufman, Senior Buyer, 512-505-3545
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Boards and Commission Action:	July 18, 2016 – Recommended by the Electric Utility Commission on a 10-0 vote with Commissioner Ferchill absent.
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Related Items:	
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MBE / WBE:	The contract was awarded in compliance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. No subcontracting opportunities were identified; therefore, no goals were established.
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Additional Backup Information

The contract provides for a complete water chemical treatment program, including the equipment, supplies, and maintenance for the cooling towers, chillers, demineralizers, and boilers at various City locations. The water treatment program provides treatment, monitoring, testing, and other functions including chemical treatment for reverse osmosis systems, cooling tower water systems, chilled water loops, hot water loops, clarifiers, and low and high pressure boilers. This testing and treatment is required to treat these systems in order to meet operational, maintenance, and warranty requirements, as well as Environmental Protection Agency, Texas Commission on Environmental Quality, and Austin Water discharge permit requirements.

The current contract expires on August 31, 2016. A procurement to obtain a replacement contract is currently in progress. The requested additional time and authorization is needed to ensure continuation of these services while awarding and transitioning to the new contract.

CONTRACT SUMMARY

NALCO COMPANY				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	24	\$ 3,000,000	n/a	n/a
Extension Option 1	24	\$ -	\$ 3,000,000	\$ 6,000,000
Extension Option 2	24	\$ -	\$ 3,000,000	\$ 9,000,000
Proposed Extension Amendment	6	\$ -	\$ 800,000	\$ 9,800,000
TOTAL	78	\$ 3,000,000	\$ 6,800,000	\$ 9,800,000