

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting : February 1, 2018

Item Number: **047**

Purchasing Office

Authorize award and execution of a multi-term contract with Pencco, Inc., to provide liquid ferrous chloride and liquid ferric chloride, for up to five years for a total contract amount not to exceed \$336,250. (Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$44,833 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.
Purchasing Language	The Purchasing Office issued an Invitation for Bids (IFB) 2200 ISR0027REBID for these goods. The solicitation issued on October 2, 2017, and it closed on October 19, 2017. Of the three offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City’s Financial Services website, Austin Finance Online Link: Solicitation Documents <https://www.austintexas.gov/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=121448> .
For More Information	Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov < mailto:AgendaOffice@austintexas.gov > NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation’s Authorized

	Contact Persons: Irene Sanchez-Rocha, at 512-974-2554 or Irene.Sanchez-Rocha@austintexas.gov or Georgia Billela, at 512-974-2939 or Georgia.Billela@austintexas.gov .
Council Committee, Boards and Commission Action	January 10, 2018 - Unanimously recommended by the Water and Wastewater Commission on a 7-0 vote, with Commissioners Parton, Moriarty, Kellough and Bell absent.
Client Department(s)	Austin Water.

Additional Backup Information:

The contract is for the purchase of liquid ferrous chloride and liquid ferric chloride to be used at the Hornsby Bend Biosolids Management Plant to aid in the process of odor control. These chemicals will reduce hydrogen sulfide gasses in working areas and around the plant in general. It will also reduce the corrosion rates on both mechanical and electrical equipment in the bar-screen and thickener building. This contract will provide a readily available source of supply for these products which will be delivered and stored at the Hornsby Bend facility.

This contract will replace the current contract which expires on February 26, 2018. The average annual spend is \$37,109 per year. The requested annual authorization amount for this contract was determined using departmental estimates based on historical spend, the variable demand between liquid ferrous chloride and liquid ferric chloride; along with a small annual increase to account for an increase in price.

If the City is unable to secure a contract for liquid ferrous chloride and liquid ferric chloride, it could lead to an increase in citizen odor complaints as well as problems with dewatering the sludge.

Contract Detail

	<u>Contract Term</u>	<u>Contract Amount</u>	<u>Contract Amendment</u>	<u>Revised Amount</u>
Initial Term	3	\$201,750	n/a	n/a
Extension Option 1	1	\$ 67,250	n/a	n/a
Extension Option 2	1	\$ 67,250	n/a	n/a
TOTAL	5	\$336,250	\$ -	\$ -

