



**Recommendation for  
Water & Wastewater Commission**

<b>Commission Meeting Date:</b>	July 10, 2019
<b>Council Meeting Date:</b>	August 8, 2019
<b>Department:</b>	Purchasing Department
<b>Client:</b>	Rick Coronado, Brian Haws
<b>SUBJECT</b>	
Authorize award of a multi-term contract with Carus Corporation, to provide liquid phosphate, for up to five years for a total contract amount not to exceed \$2,750,000.	
<b>AMOUNT AND SOURCE OF FUNDING</b>	
Funding in the amount of \$91,667 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Water. Funding for the remaining contract terms are contingent upon available funding in future budgets.	
<b>Purchasing Language:</b>	The Purchasing Office issued an Invitation for Bids (IFB) 2200 GLB1021 for these goods. The solicitation issued on April 1, 2019 and it closed on April 23, 2019. Of the four 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: <a href="#">Solicitation Documents</a> .
<b>Prior Council Action:</b>	
<b>Boards and Commission Action:</b>	July 10, 2019 – To be reviewed by the Water and Wastewater Commission.
<b>MBE/WBE:</b>	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.

The contract will provide liquid phosphate for Austin Water treatment plants. Liquid phosphate is used in the treatment of the drinking water at the water treatment plants to reduce the amount of scale formed in the distribution system lines. If the water treatment plants do not add liquid phosphate during the treatment process, there would be a significant amount of additional scale built-up over time.

This contract will replace a current contract which expires December 19, 2019. The requested authorization amount was determined using estimates of increased annual usage and historical spending.

Contract Detail:

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Contract Authorization</u></b>
Initial Term	2 yrs.	\$1,100,000
Optional Extension 1	1 yr.	\$ 550,000
Optional Extension 2	1 yr.	\$ 550,000
Optional Extension 3	1 yr.	\$ 550,000
TOTAL	5 yrs.	\$2,750,000

**Note:** Contract Authorization amounts are based on the City's estimated annual usage.

### **PRICE ANALYSIS**

- a) Solicitations: 123 notices were sent, including 3 MBE and 2 WBE firms, 4 responsive bid was received with no M/WBE firms responding.
- b) Cost Analysis: The proposed contract represents an approximate 7% decrease in unit cost from the previous contract. The index supports a 20.9% increase.

**BID TABULATION  
CITY OF AUSTIN  
LIQUID PHOSPHATE**

Solicitation No.: IFB 2200 GLB1021

RX No.: RQM 19031300377

Opening Date: 4/23/2019

Buyer: Georgia Billea

Receipt No.				1		2		3		5	
Vendor Name				Carus Corporation		Simply Aquatics		Shannon Chemical Corporation		Chemrite Inc.	
Local Presence (Y/N)				N		N		N		N	
MBE/WBE											
Item No.	Item Description	Estimated Annual Quantity	Unit	Unit Price	Annual Extended Price	Unit Price	Annual Extended Price	Unit Price	Annual Extended Price	Unit Price	Annual Extended Price
1	Liquid Phosphate - ULLRICH WATER TREATMENT PLANT	52,000	Gal	\$4.5372	\$235,934.40	\$4.94	\$256,880.00	\$4.57	\$237,640.00	\$4.848	\$252,096.00
2	Liquid Phosphate - DAVIS WATER TREATMENT PLANT	30,200	Gal	\$4.5372	\$137,023.44	\$4.94	\$149,188.00	\$4.57	\$138,014.00	\$4.848	\$146,409.60
3	Liquid Phosphate - HANDCOX WATER TREATMENT PLANT	24,000	Gal	\$4.5372	\$108,892.80	\$4.94	\$118,560.00	\$4.57	\$109,680.00	\$4.848	\$116,352.00
<b>TOTAL</b>				\$481,850.64		\$524,628.00		\$485,334.00		\$514,857.60	

**Additional Service (PRICING FOR THIS SECTION WILL NOT BE USED TO DETERMINE AWARD).**

The Services below shall be fixed throughout the term of the contract including any subsequent renewal periods. The services include emergency deliveries and early payment option.

A bid of zero ('0') will be interpreted by the City as a no-charge (free) item and the City will not expect to pay for an Emergency Delivery Charge or net 30 payment terms with no early payment discount offered. A bid of 'no bid' or no response (space left blank) will be interpreted by the City that the Offeror does not wish to bid that line item. Be advised, a 'no bid' or no response may be considered as a non-responsive and may result in disqualification of the bid.

Item No.	Description of Other Services or Products	Unit Measure	Price	Unit Measure	Price	Unit Measure	Price	Unit Measure	Price
4	Flat Rate for Emergency Delivery - Shall be made within twenty-four (24) hours after receipt of order. The City may require partial deliveries from a single truckload to be made at more than one location (specified in Section 0400 Paragraph 5I).	Per Truck	\$250.00	Per Truck	\$0.00	Per Truck	\$0.00	Per Truck	\$1,500.00
5	Early Payment Discount (specified in Section 0400 Paragraph 6H).	Net: 30	Discount 0%	Net: N/A	Discount N/A	Net: 30	Discount 0%	Net: 30	Discount 0%

Note:

Award Method: By one total

Prepared By: Administrative staff

Approved By: Georgia Billela

Yellow notates award.