



**Purchasing Supply Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 19
AGENDA DATE: Thu 02/26/2004
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 12-month supply agreement with DXI INDUSTRIES, Houston, TX for the purchase of liquid chlorine for the Austin Water Utility in an amount not to exceed \$737,898, with two 12-month extension options in an amount not to exceed \$737,898 per extension option, for a total agreement amount not to exceed \$2,213,694.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$368,949 is available in the Fiscal Year 2003-2004 Approved Operating Budget of the Austin Water Utility. Funding for the remaining six 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.

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT:for Austin Water Utility; **AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Stephen T. Aden, Supervising Senior Buyer, 974-2021;
Andy Ramirez, Contract Administrator, 972-0310

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Low bid of three received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 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.

This contract establishes an annual supply agreement with DXI Industries, Inc. to provide liquid chlorine for the Austin Water Utility. The City uses liquid chlorine to disinfect the water and wastewater of the City. The chlorine will be supplied in one-ton cylinders for the large water and wastewater treatment plants and 150 pound cylinders for the smaller water and wastewater treatment plants.

The product complies with the American National Standards Institute/American Water Works Association (ANSI/AWWA) Standard B301a-99, which is the standard for chlorine used for the treatment of water and wastewater. It also meets American National Standard Institute/National Sanitation Foundation (ANSI/NSF) Standard 60 and 61 which governs the use of direct and indirect additives for the treatment of drinking water.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/0



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**BID TABULATION
IFB NO. SA04100012**

Liquid Chlorine

<u>Vendor</u>	Item No. 1	Item No. 2	<u>Total Amount</u>
	1,921/Ton Cylinders	200/150lb Cylinders	
	<u>Unit Price</u>	<u>Unit Price</u>	
DXI Industries, Inc. Houston, TX	\$378.00	\$58.80	\$737,898.00
Altivia Corporation Houston, TX	\$430.00	\$90.00	\$844,030.00
*Cherokee Solutions Webster, TX	\$375.00	\$66.50	\$733,675.00

***(NOTE: After several request, contractor failed to provide references and Material Safety Data Sheets as called for in the bid request and was deemed Non-Responsive.)**

PRICE ANALYSIS

- Adequate competition.
- Twenty-seven notices were sent including one WBE firm. Four bids were issued. Three bids were received. One "No-Bid" was received.
- This contract represents a 15% increase in unit pricing over the previous contract for liquid chlorine. This increase can be attributed to increases in manufacturing and fuel costs.

APPROVAL JUSTIFICATION

- Low responsive bidder.
- The Austin Water Utility concurs with the recommended award herein.
- Advertised in the Austin American-Statesman and Internet.