

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

AGENDA ITEM NO.: 32 AGENDA DATE: Thu 01/13/2005 PAGE: 1 of 2

**SUBJECT:** Authorize execution of a 12-month supply agreement with ALTIVIA CORPORATION, Houston, TX, for liquid chlorine in bulk truckload quantities for the Austin Water Utility in an amount not to exceed \$192,800, with two 12-month extension options in an amount not to exceed \$192,800 per extension option, for a total agreement amount not to exceed \$578,400.

<u>AMOUNT & SOURCE OF FUNDING</u>: Funding in the amount of \$128,533 is available in the Fiscal Year 2004-2005 Approved Operating Budget of the Austin Water Utility. Funding for the remaining four 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'SDEPARTMENT:** for Austin Water Utility;**AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Stephen T. Aden, Supervising Senior Buyer, 974-2021

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

**<u>PURCHASING</u>**: Low bid of two bids received.

<u>MBE / WBE</u>: 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 Altivia Corporation, to provide liquid chlorine in bulk truckload quantities to the Austin Water Utility's Ullrich Water Treatment Plant. The City uses liquid chlorine to disinfect the drinking water. The chlorine will be supplied on an as needed basis in truckloads and stored in three chlorine storage tanks at the facility.

The product complies with the American National Standards Institute/American Water Works Association Standard B301-99, which is the standard for chlorine used for the treatment of drinking water. It also meets American National Standard Institute/National Sanitation Foundation Standard 60, 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 Liquid Chlorine (400 Tons) IFB NO. SA05100004

| VENDOR                             | UNIT<br><u>PRICE</u> | TOTAL<br><u>PRICE</u> |
|------------------------------------|----------------------|-----------------------|
| Altivia Corporation<br>Houston, TX | \$482                | \$192,800             |
| DPC Industries Co.<br>Cleburne, TX | \$494                | \$197,600             |

# PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-five notices were sent including one WBE firm. Four solicitations were issued. Two bids were received. One "No-Bid" was received.
- c. This is the first time that we have purchased chlorine in truckloads and there is no previous price to make a cost comparison.

# APPROVAL JUSTIFICATION

- a. Low bidder.
- b. The Austin Water Utility concurs with the recommended award.
- c. Advertised in the Austin American-Statesman and Internet.