



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

**AGENDA ITEM NO.: 25  
AGENDA DATE: Thu 10/21/2004  
PAGE: 1 of 2**

**SUBJECT:** Authorize execution of a 12-month supply agreement with POLYDYNE, INC, Riceboro, GA, for liquid emulsion polymer for the Austin Water Utility in an amount not to exceed \$383,718.85, with two 12-month extension options in an amount not to exceed \$422,089.58 for the first extension option and \$464,290.47 for the second extension option, for a total agreement amount not to exceed \$1,270,098.90.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$351,742.27 is available in the Fiscal Year 2004-2005 Approved Operating Budget of the Austin Water Utility. Funding for the remaining month 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

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

**PURCHASING:** Lowest bid of three bids 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.

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This 12-month supply agreement is for approximately 518,539 lbs. of liquid emulsion polymer. The polymer will be delivered to and used at the Hornsby Bend Biosolids Management Facility, which handles the treatment and reuse of all of the City's biosolids (sewage sludge) from the three major wastewater treatment plants and several small package plants around the City. Polymer is used in the treatment process to dewater and thicken sludge at the facility. It significantly improves the sludge drying and the sludge composting process. After the sludge has been properly treated, it is either land-applied over 1,200 acres of City-owned open land currently planted in Coastal Bermuda grass or it is composted and sold as Dillo Dirt. This method of removing sludge from the facility is permitted by the Texas Commission on Environmental Quality.

Each bidder was required to provide a full "drum" container of 55 gallons of polymer for testing by the City, to determine how many pounds of the product it would take to process one ton of dry sludge. As a result of the test it was determined it took 15.59 lbs. of Polydyne's product to complete the task. Polydyne also submitted the lowest unit cost per pound for the product as compared to the other bidder's that required 16.55 lbs of their products to process the same amount of sludge.

MBE/WBE Sent: 0/0

MBE/WBE Bid: 0/0



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**BID TABULATION**  
Liquid Emulsion Polymer  
(518,538 LBS)  
IFB No. SA04100062

<b><u>VENDOR</u></b>	<b><u>UNIT COST PER LB.</u></b>	<b><u>TREATMENT COST PER TON</u></b>	<b><u>TOTAL CONTRACT COST</u></b>
<b>Polydyne, Inc. Riceboro, GA</b>	<b>\$.74</b>	<b>\$11.54</b>	<b>\$383,718.85</b>
<b>CIBA Specialty Chemicals Suffolk, VA</b>	<b>\$.78</b>	<b>\$12.91</b>	<b>\$429,366.25</b>
<b>Stockhausen, Inc.* Greensboro, NC</b>			

\*Did not meet specification. Bidder did not comply with the testing requirement of the specifications as required by the solicitation. Bidders were required to obtain a sample of the sludge and provide a jar test of their product and submit the results of their test with the bid submittal.

**PRICE ANALYSIS**

- Adequate competition.
- Five bids were issued. There are no MBE or WBE firms listed under this commodity. Three bids were received. There was one "No Bids" received.
- The bid pricing represents an approximate 8% increase from the last award made in October 1999. This can be attributed to the shortage of raw materials needed in the production of polymers.

**APPROVAL JUSTIFICATION**

- The recommended awardee is the low bidder.
- Austin Water Utility concurs with the recommended award.
- Advertised in the Austin American-Statesman and the Internet.