



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

**AGENDA ITEM NO.: 15
AGENDA DATE: Thu 02/16/2006
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 12-month supply agreement with GENERAL CHEMICAL PERFORMANCE PRODUCTS, LLC., Parsippany, NJ for the purchase of liquid ferric sulfate for the Austin Water Utility, in an amount not to exceed \$513,027.20, with two 12-month extension options in the amount of \$513,027.20 per extension option, for a total agreement amount not to exceed \$1,539,081.60.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$171,009.07 is available in the Fiscal Year 2005-2006 Approved Operating Budget of the Austin Water Utility. Funding for the remaining eight 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.

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid of two 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.

This contract establishes an annual supply agreement for liquid ferric sulfate, which is used by the Austin Water Utility. Liquid ferric sulfate is utilized as a coagulant for the removal of suspended and colloidal particles from water by the process of coagulation and flocculation. This chemical is added to raw water during the purification process and causes sediment, bacteria and other particles in the water to aggregate into a mass for removal. It is essential in the treatment process to ensure the quality of the City's water supply. The water would not meet the Environmental Protection Agency (EPA) Safe Drinking Water Act requirement if liquid ferric sulfate was not used during the treatment process.

The liquid ferric sulfate chemical will be stored in ferric sulfate tanks at the Green, Davis and Ullrich Water Treatment Plants.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/0



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

**AGENDA ITEM NO.: 15
AGENDA DATE: Thu 02/16/2006
PAGE: 2 of 2**

BID TABULATION

IFB No. SA06100018

Liquid Ferric Sulfate 1,184,000 Lbs.

| <u>VENDOR</u> | <u>UNIT PRICE</u> | <u>TOTAL PRICE</u> |
|---|--------------------------|---------------------------|
| General Chemical Performance Products LLC Parsippany, NJ | \$0.4333 | \$513,027.20 |
| Kemiron Companies, Inc. Lawrence, KS | \$0.4784 | \$566,425.60 |

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-nine notices were sent including one WBE firm. There are no known MBE firms listed for this commodity code. Two solicitations were issued, none of which were MBE or WBE firms. Two bids were received.
- c. The pricing offered represents an 11% increase from the last contract awarded June 2003. This increase can be attributed to the rise in fuel cost for transportation.

APPROVAL JUSTIFICATION

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