



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

**AGENDA ITEM NO.: 34
AGENDA DATE: Thu 03/23/2006
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SUBJECT: Authorize execution of a 12-month supply agreement with DXI INDUSTRIES, INC., Houston, TX, for liquid chlorine for the Austin Water Utility in an amount not to exceed \$1,021,104, with two 12-month extension options in an amount not to exceed \$1,021,104 per extension option, for a total agreement not to exceed \$3,063,312.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$510,552 is available in Fiscal Year 2005-2006 Approved Operating Budget of the Austin Water Utility. Funding for the remaining six months 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 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 following standards: (1) American National Standards Institute/American Water Works Association (ANSI/AWWA) Standard B301a-99, the standard for chlorine to be used in the treatment of water and wastewater, and (2) 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
Liquid Chlorine
IFB No. SA06100031

<u>Vendor</u>	Item No. 1	Item No. 2	<u>Total Price</u>
	Qty-1,910 cylinders 2000 lb.cylinders <u>Unit Price/cylinder</u>	Qty-220 cylinders 150 lb. cylinders <u>Unit Price/cylinder</u>	
DXI Industries, Inc. Houston, TX	\$526.80	\$67.80	\$1,021,104.00
Altivia Corp. Houston, TX	\$555.50	\$74.00	\$1,077,285.00

PRICE ANALYSIS

- Adequate competition.
- Twenty-nine notices were sent including one WBE firm. There were no MBEs available for this commodity code. Six solicitations were issued. Two bids were received with no response from the WBE. One "No-Bid" was received.
- The pricing offered represents a 13% increase to the last contract awarded in February 2005. This increase can be attributed to increases in manufacturing and fuel costs.

APPROVAL JUSTIFICATION

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