



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

**AGENDA ITEM NO.: 36
AGENDA DATE: Thu 03/23/2006
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 12-month supply agreement with POLYDYNE, INC., Riceboro, GA, for liquid emulsion polymer for sludge dewatering for the Austin Water Utility in an amount not to exceed \$461,582.91, with two 12-month extension options in an amount not to exceed \$476,472.69 for the first extension option and \$491,360.10 for the second extension option, for a total agreement amount not to exceed \$1,429,415.70.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$230,791.45 is available in the Fiscal Year 2005-2006 Approved Operating Budget of the Austin Water Utility. Funding for the remaining six months of the original contract 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 four 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 Polydyne Inc., to provide polymer products for thickening biosolids (sewage sludge) prior to anaerobic digestion for the Austin Water Utility. The polymer will be delivered to and used at the Hornsby Bend Biosolids Management Facility, which handles the treatment and reuse of all City biosolids from the three major wastewater treatment plants and several small package plants around the City. Polymer is used in the treatment process to thicken and dewater sludge at the facility. After the sludge has been properly treated by digestion, it is either spread over City-owned land currently planted in Coastal Bermuda grass, hauled and spread by contract on off-site farmland, or composted and sold as Dillo Dirt. This is an environmentally safe method of treating and beneficially reusing biosolids from the facility.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0



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**BID TABULATION
IFB NO. SA06100003A
Liquid Emulsion Polymer
(Pounds required to treat 31,000 tons of sewage)**

<u>VENDOR</u>	<u>UNIT PRICE</u>	<u>LBS REQUIRED</u>	<u>TOTAL BID PRICE</u>
Polydyne, Inc. Riceboro, GA	\$0.89	518,632.48 Lbs.	\$461,582.91
Armstrong Water Technology Inc. Houston, TX	\$0.78	\$40,891.22 Lbs.	\$421,895.15*
Stockhausen Inc. Greensboro, NC	\$0.98	509,396.52 Lbs.	\$499,208.59
CIBA Specialty Chemicals Corp. Suffolk, VA	\$1.17	N/A	**

*Although Armstrong was the low bidder, during the testing process, their product was unable to consistently meet the thickening of total solids in the range of 5 to 7%, as required in the specification.

**CIBA Specialty Chemicals' products were not tested because they were not one of the two lowest bidders. Stockhausen's product was tested only after it was found that Armstrong's product did not meet the testing requirements.

Test results are available at the Austin Water Utility.

PRICE ANALYSIS

- Adequate Competition.
- Six solicitations were issued. There were no MBE/WBE firms listed for this commodity. Four bids were received.
- The pricing offered represents a 16% increase to the last contract award in April 2005. This can be attributed to the increase costs for chemicals, production, and transportation.

APPROVAL JUSTIFICATION

- Low bidder meeting requirements.
- The Austin Water Utility concurs with the recommendation.
- Advertised in the Austin American-Statesman and on the Internet.