AUSTIN CITY COUNCIL

AGENDA

Thursday, June 22, 2006

Purchasing Service Agreement

RECOMMENDATION FOR COUNCIL ACTION

Subject: Authorize award and execution of a 12-month supply requirements contract with POLYDYNE, INC. Riceboro, GA, for the purchase of liquid emulsion polymer for sludge dewatering for the Austin Water Utility in an estimated amount not to exceed $262,844.40, with two 12-month extension options in an estimated amount not to exceed $275,380.80 for the first extension option and $287,877.20 for the second extension option, for a total estimated contract amount not to exceed $826,082.40.

Amount and Source of Funding: Funding in the amount of $65,711 is available in the Fiscal Year 2005-2006 Approved Operating Budget of the Austin Water Utility. Funding for the remaining nine 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.


Purchasing Language: Lowest bid of four bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D 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 requirements contract with Polydyne Inc. will provide the Austin Water Utility with a readily available supply of liquid emulsion polymer on an as needed basis. The polymer will be delivered to and used by the Homsby Bend Biosolids Management Facility, which handles the treatment and reuse of all City bio-solids (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. After the sludge has been properly treated, it is either spread 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 is an environmentally safe method of removing sludge from the facility.

MBE/WBE solicited: 2/2 MBE/WBE bid: 0/0

PRICE ANALYSIS
a. Adequate competition.
b. Thirteen solicitations were issued, including two MBEs and two WBEs. Four bids were received with no response from MBEs/WBEs. There was one "No Bid" submitted.
c. The pricing offered represents a 16% increase to the last contract award March 2005. This can be attributed to the increase in chemicals, production, and transportation cost.

APPROVAL JUSTIFICATION

a. Lowest bidder.
b. The Purchasing Office concurs with Austin Water Utility's recommended award.
c. Advertised in the Austin American-Statesman and on the Internet.
**BID TABULATION**  
IFB No. SA06100082  
Liquid Emulsion Polymer  
(Pounds Required to Treat 21,000 Tons of Sewage)

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>UNIT PRICE</th>
<th>LBS REQUIRED</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polydyne, Inc.</td>
<td>$.83 per/lb</td>
<td>316,680 lbs.</td>
<td>$262,844.40</td>
</tr>
<tr>
<td>Riceboro, GA</td>
<td></td>
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<td></td>
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<tr>
<td>Armstrong Water Tech.</td>
<td>$.88 per/lb</td>
<td>329,490 lbs.</td>
<td>$289,951.20</td>
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<tr>
<td>Houston, TX</td>
<td></td>
<td></td>
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<tr>
<td>CIBA Specialty Chemical</td>
<td>$.98 per/lb</td>
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<td>*</td>
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<tr>
<td>Suffolk, VA</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Stockhausen Inc.</td>
<td>$1.15 per/lb</td>
<td>*</td>
<td>*</td>
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<tr>
<td>Greensboro, NC</td>
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</tbody>
</table>

*In accordance with the specifications, only the two low bidders' products would be tested.*

Bid tabulation is on file in the Purchasing Office.