

A U S T I N C I T Y C O U N C I L

AGENDA



Thursday, December 07, 2006

Back Print

Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

ITEM No 18

Subject Authorize award and execution of a 24-month requirements supply contract with DPC INDUSTRIES COMPANY, Cleburne, TX, for the supply of liquid chlorine in bulk truckload quantities for the Austin Water Utility in an amount not to exceed \$975,000, with two 12-month extension options in amounts not to exceed \$487,500 per extension option, for a total agreement amount not to exceed \$1,950,000

Amount and Source of Funding Funding in the amount of \$325,000 is available in the Fiscal Year 2006-2007 Operating Budget of the Austin Water Utility. Funding for the remaining 16 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.

Additional Backup Material

(click to open)

**DPC INDUSTRIES_BID
TAB**

For More Information Steve Aden, Supervising Sr. Buyer, 974-2021

Purchasing Language Lowest bid meeting specifications of two 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 contract establishes an annual supply agreement with DPC Industries Company to provide liquid chlorine in bulk truckload quantities to the Austin Water Utility's Ullrich Water Treatment Plant. The City uses liquid chlorine to disinfect the drinking water. The chlorine will be supplied on an as needed basis in truckloads and stored in three chlorine storage tanks at the facility.

The product complies with the American National Standards Institute/American Water Works Association Standard B301-99, which is the standard for chlorine used for the treatment of drinking water. It also meets the American National Standard Institute/National Sanitation Foundation Standard 60, 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

PRICE ANALYSIS a. Lowest bid meeting specifications. b. Twenty-eight notices were sent including one WBE. There are no MBE firms available for this commodity. Four solicitations were issued. Two bids were received with no response from WBE. There was one "No Bid" received. c. The pricing offered represents a 47% decrease from the last purchase made in August 2006. The August purchase was made on an emergency basis requiring delivery from Oklahoma. The pricing offered represents a 49% increase from the last regular purchase, which was made in January 2005. This can be attributed to higher transportation costs and the unstable pricing for natural gas, which is used in the manufacture of chlorine.

APPROVAL JUSTIFICATION a The Purchasing Office concurs with Austin Water Utility's recommended award b Advertised in the Austin American-Statesman and on the Internet

AGENDA DATE: 12/07/06

VENDOR NAME: DPC INDUSTRIES COMPANY

BID TABULATION

IFB No. SA06100148

Liquid Chlorine
(Qty - 1000 Tons)

<u>VENDOR</u>	<u>UNIT PRICE</u>	<u>TOTAL BID</u>
DPC Industries Company Cleburne, TX	\$975.00	\$975,000
Univar USA Dallas, TX	\$165 45	\$162,450*

*Bidder withdrew its bid due to bidding the wrong product. They submitted prices for sodium hydrochloric instead of liquid chlorine